BARKAN

New Property Transition Policy

ACCOUNTING DEPARTMENT

OPERATIONS & ACCOUNTING

VERSION	EFFECTIVE	REVIEWED
1.0	March 2026	March 2026

POLICY

Accurate and timely recordkeeping is essential to effective Association management. When taking over management of a new property, it is critical that all relevant documents and community- specific information are received and preserved. The Account Executive (AE) and administrative support staff are responsible for auditing all hard and electronic files received from the outgoing management company. The Transition Coordinator (TC) oversees the transition process, collects all relevant documentation, and coordinates setup in the appropriate platforms, including CINC, WebAxis, Strongroom, VIVE, Yardi/Payscan, Homewise.

Procedure

1. Initiation: Upon notice to the outgoing management company, the TC will assign a property number and contact the outgoing management company using the Barkan standard transition request list to request all necessary documents.
   a. As documents are received, the TC will save them to SharePoint.
   b. Missing or outstanding items will be discussed during transition meetings.
2. Staffing and Meetings: The TC will identify key staff for the transition. Representatives from the following departments will attend transition meetings as scheduled:
   a. Transition Coordinator
   b. Human Resources
   c. Training & Support
   d. Accounting
   e. Accounts Receivable
   f. Management
   g. Office Manager or APM (for affordable properties)

Each department representative should be familiar with their responsibilities. Task timelines will be discussed and tracked using the transition checklist.

1. Account Executive Assignment: The VP and RD will assign an AE. The TC will notify the AE, their support team, and the Accounting Manager with the Association legal name, contract start date, number of units, and payroll applicability.

   a. The AE will be the primary point of contact with the Board during transition and will handle all operational items.

2. Financial & Other Contractual Fee Setup:
   a. The Controller is responsible for setting up a new operating bank account.
   b. The Corporate Accounting Team will set up the management fee and other contractual fee disbursements.
   c. Should the association have specialized conditions regarding Schedules A & B (such as all-inclusive pricing), the Transition Coordinator (TC) should communicate this to the Corporate Accounting Team.
3. Unit and Homeowner Information: the TC will provide a list of all units and homeowner contact information to the Support Team to upload into the appropriate software. Mandatory fields include:
   a. Homeowner first and last name
   b. Physical address of the unit and unit number (regardless of owner occupancy)
   c. Owners preferred mailing address
   d. Email address
   e. Phone number
   f. List of all current fees and beneficial interest if applicable.
4. Resident Communication: Once all units have been set up and there is confirmation that a bank account has been established, the TC will draft a standard welcome letter template for the AE to review which will include appropriate contact information, payment instructions, and resident portal registration information for Board review.
   a. Finalized copies should be sent back to TC for mailing at least two weeks prior to takeover. The TC will inform staff once the notice has been mailed to prepare for inquiries.
5. Financial Mapping & Budget: Using the current Budget, the Support Team will map the Barkan Chart of accounts and create the current year's budget for the Accounting Team Lead to review.
   a. Once the finalized financial statement is received from prior management, they will enter in beginning balances.
6. Additional Setup:
   a. On-call and Emergency information.
   b. Before the contract start date, the AE will complete the on-call contact sheet and submit it to the TC. Form can be found on ADP. ii. The TC will update the emergency answering service.
   c. The AE must submit user setup requests via ADP and training needs to support@barkanco.com for all onsite employees.

   d. Workflows for Payscan or Strongroom need to be established and sent to Support to set up necessary approvers.

7. Payroll & HR Requirements: If payroll is involved, the AE must provide all employee info to HR in time for the first pay period.
   a. If employees are Association employees, HR needs 60 days' notice to onboard them into ADP.
   b. In cases of employee non-transition (e.g., non-compete, eliminated positions), the AE must consult with their supervisor for legal compliance.
8. File Management: All electronic files received must be saved in the Transition folder on SharePoint.
   a. Files may be moved to subfolders but must never be permanently deleted.
   b. The AE or APM will coordinate pickup or delivery of hard files near the transition date.
   c. AE and APM are responsible for reviewing and organizing these files. The following must be uploaded to SharePoint and/or WebAxis/Rent Cafe within 30 days of transition:
   d. Governing documents
   e. At least six months of meeting minutes
   f. SCC & DPOR (if a Virginia property)
   g. Insurance information
   h. Most recent audit and tax return
   i. Most recent reserve study
   j. All vendor contracts
   k. Most recent collections resolution
9. Board Deliverables (Within 60 Days of start date): The AE or onsite staff must complete and present the following to the Board:
   a. Property inspection
   b. Vendor Contract analysis
   c. Preventative maintenance plan
   d. Property Information Sheet
   e. Operations calendar
10. Transition Tracking: The TC will maintain the transition checklist from contract start to receipt and reconciliation of the final closing check from the prior management's operating account. All appropriate users should fill out the sheet as tasks are completed.