



Go Paperless

The Benefits of a Paperless Property Management Office

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Why Go Paperless?

Property managers who run efficient paperless management offices consistently out-perform their competition. The benefits can include all of the following and more:

Cost Savings

Reduced Office Supplies: When information, correspondence and legal documents are securely generated and stored on-line, fewer office supplies are used. Savings are realized on paper, envelopes, paper checks, printer ink, toner cartridges, postage, printed stationery and printed forms.

Reduced Cost of Paper Storage: Fewer file cabinets that take up precious office space!

Reduce Risk

Document Storage: Documents are securely stored and protected from loss in the case of fire, water damage or theft.

Time Savings

Reduced Staff Hours: Staff hours previously dedicated to filing, retrieving, storing and delivering paperwork – including trips to the bank – are eliminated. Staff can be reduced, redirected or used to manage a greater number of units.

This eBook will identify the steps you will need to take while removing the paper from your office. Going paperless requires that you:

- Use web-based property management software
- Have an interactive, mobile-optimized website
- Email instead of mail documents as much as possible
- Invest in a scanner(s)
- Use a smart phone
- Develop an electronic filing plan and organization system for the office
- Accept and transmit payments online (writing as few checks as possible)

Reduce Manual Data Entry Time and Errors: Accounting is typically built into web-based property management software so no double entry is required. An accounting engine lowers the risk of bookkeeping errors and creates a more efficient system for tax preparation.

Cash Flow and Greater Efficiency

Cash Flow Improvement: On-line rent payment and remote payment processing and e-rental applications all serve to maximize cash flow and improve earnings.

Management Efficiency: Work and access files remotely, more easily track and manage the business from wherever you are.

Better Oversight: Customized reports can be generated for both management and the owners' use. Frequent oversight can help predict where efforts need to be made to improve operations and where to reorient staff and resources.

Worksheet: Where Are Your Opportunities To Go Paperless?

Use this worksheet to identify opportunities to go paperless in your office. Prioritize by High, Medium, Low to understand which items to focus on first.

TASK	ACTION	BENEFIT	PRIORITY?
Communications – Residents, Owners, Vendors	Email instead of mail	Save money on postage, paper and time	
Rental Applications & Leases	Move online, no more paper	Save time, better tracking, eliminate paper files	
Work Orders	Email instead of fax	Save time, better tracking, eliminate paper files	
Distribute Payments to Owners & Vendors	Distribute online via ACH, instead of checks	Save time, save paper, get paid faster	
Collect Rent Online	Offer web-based payment choices for residents	No checks to process and manage each month	
Marketing Newsletters	Email instead of mail	Save paper, postage and time	

Web-Based Property Management Software

Using [web-based property management software](#) is one of the most important components of your paperless office. A complete solution should provide:

- An accounting engine
- Easy reconciliation of bank statements
- The ability to generate and email letters, owner statements, reports and work-orders
- A portal to accept online payments from residents
- Action website buttons for prospective residents to submit information
- Auto-posts to Craigslist, your own website and other vacancy listing sites
- A portal to accept and schedule resident repair and maintenance requests
- Secure, web-based access to records/contacts
- Safe and secure storage of information

Electronic Filing and Scanners

Electronic Filing: A critical aspect of setting up paperless management is the development of a well-designed filing system. What goes into the system is what will come out, so advanced organizational planning is imperative. System vendors will provide guidance regarding hardware requirements, but management will need to:



1. Identify which types of documents will be electronically stored. Look for [property management software](#) solutions that allow easy attachment of scanned files.
2. Determine drawer (folder) naming conventions - the clearer and simpler the names, the easier the navigation.
3. Determine structure for document folders - single-tiered systems do not allow subfolders.
4. Assign clearly defined personnel roles including:
 - Identifying which staff can create folders
 - Outlining guidelines and procedures
 - Establishing who has responsibility for maintaining documents
 - Determining who will scan the documents

Scanners

Document scanning is the quickest and simplest way to reduce the amount of paper in the office and safely store things digitally. There are several scanners available for paperless management by reliable brands such as Fujitsu, Canon, and HP. Price does play a factor in your decision on which machine you would like to purchase but if you prioritize the features that are valuable to your office, there are several great models on the market.

Scanner standard features include duplex imaging which is the ability to scan both sides of a document at once, and a USB connection. The scanning speed is important along with having an auto-document feeder, business card scanning, and a good software package so that it is easy to use.

Larger operations wishing to remotely scan documents from various locations but process them in a central site would require a scanner with network capabilities. These more sophisticated scanners auto-feed, sort, scan, and even detect double documents.

Electronic Payments – Accept and Transmit

Pay Vendors and Owners Online

Property managers can avoid writing checks to vendors and owners by using ACH to electronically transmit funds. Owners and vendors appreciate the convenience of receiving payments directly in their bank account so they are paid much faster.

Accept Rent Online

Electronic payment capability is probably one of the most convenient and important efficiencies for property managers. After the first payment and initial data input, the residents can start paying their rent online and you can start paying your owners online too. Managers can offer this as a perk to their residents, making their life and your life easier and more efficient in the process. AppFolio's web-based property management software includes online rent payment for free – be sure to look for solutions that don't charge extra transaction fees for you or your residents.



Electronic transactions eliminate many of the problems associated with paper checks as electronic payments are processed through the banking system ahead of paper transactions. The funds - or the insufficient funds notice - are in the property management account immediately. Additionally, an electronic check gets re-submitted twice, but a paper check only once. Lastly, when there are competing checks presented to the bank for payment and funds are inadequate, the ACH payment is given precedence over the paper check.

Although few apartment managers can identify more than 10% of their residents as on-line payers, a consistent effort by management increases participation and boosts cash flow accordingly. A manager can and should identify on-line rent payment as a resident perk by highlighting its convenience. A renter can pay on-line while on vacation, from work or anywhere there is an Internet connection. Because AppFolio's online rent payment feature is free, customers often see 40% or more of their residents paying rent online.

E-Payment Platforms

ACH (Required): Automatic Clearing House (ACH) creates an electronic check that can be set up to make a one-time payment or a recurring one. The resident can enter a bank routing number (ABA#) and account number on-line, by phone or in person. Once the resident enters the business name, the rent amount and when it should be paid, it is scheduled. Your bank receives the payment, verifies the funds and credits the deposit to your account.

On-Line Systems and Security (Required): The software automatically encrypts sensitive resident (and owner) data to the highest standards. As property managers have a fiduciary duty to protect personal information from identify theft, secure on-line hosting provides great additional value. An e-system also allows staff to 'lock' information as private. Even if a computer allows other users, they will be unable to access the locked data.

Credit Cards (Optional): Some property managers also offer residents the option to pay rent using a credit card each month. Typically a convenience fee is charged to the resident as this is an expensive transaction.

Encourage Adoption

Here are some suggestions to [get even more of your residents to pay rent online](#):

- Include a "payment" icon link on each page of your website. When a resident considers paying on-line, it should be easy to do.
- Run a new lease or mid-lease promotion offering a one-time incentive for signing up residents for ACH rent payment.
- Post signs in your office, remind your residents regularly about the benefits of paying rent online.
- Offer two options – one-time payments or recurring monthly rent payments.



Your Next Step: Eliminate the Paper

Here are two examples of how eliminating paper will save your business both time and money:

EXAMPLE #1 – Filing

It takes about 5 minutes to find and retrieve a paper file. If you access just 10 paper files a day this adds up to 5 weeks of time just walking around the office.

At a cost of \$20/hr = \$4K in wasted time per employee.

EXAMPLE #2 - Email Owner Statements Instead of Mail

A property management company that regularly mails 500 Owner Statements each month at a cost of \$1 per statement (stamps, paper, time) will save \$6,000 over the course of one year.

These are just two real-world examples that show how impactful it can be to find ways throughout your office to use less paper.

About the Author

Elizabeth Madrigal is a media strategist and business consultant whose practice focuses on promoting sustainability within the workplace. She has written extensively about the multifamily industry as the editor and a featured writer on the blog, Greenlandlady.com. Her specialty - better efficiency through full utilization of cutting edge business technology - has been developed and refined after a 30-year career in the real estate finance and banking industries.

About AppFolio

AppFolio provides web-based [property management software](#) that helps you grow your business. Our customers find and retain better residents faster, increase profitability and love the ability to work from anywhere. AppFolio also provides educational resources for property managers including free webinars and articles on our PropertyManager.com online magazine. You can learn more about AppFolio at AppFolio.com.