Hartford Area Habitat for Humanity
Board of Directors

Tuesday, March 10, 2020 5:30-7:30 PM
CT Nonprofit Center

I.	**Devotion**-Mark Vasington, President	**5:30-5:40pm**
II.	**Consent Agenda**-Anne Hamilton, Secretary Board Resolution for Name Change & Service Area	**5:40-5:50pm**
III.	**Board Committee Updates** Development, Mark Vasington Governance, Ben Daigle Chair	**5:50-6:15pm**
IV.	**HFHI Audit**-Karraine Moody, CEO a. Green, Yellow, Red Categories b. Board-Charge i. Governance ii. Development iii. Finance c. Questions/Comments/Feedback	**6:15-6:45pm**
V.	**Operations Update** a. Staff Morale b. Org Chart/Human Resources c. Questions	**6:45-7:15pm**
VI.	**Executive Session**	**7:15pm**

CONSENT AGENDA

This is a draft copy of the minutes:

Minutes of the Meeting of the

Board of Directors of

Hartford Area Habitat for Humanity

December 3, 2019

PRESENT: Augustin, Bjorkman, Brown, Carabase, Cheeks, Daigle, Dwivedi, Eversold, Floyd, Hamilton, Hernandez, Symonette, Vasington.

ABSENT: Rivera, Jason, Sugarman

STAFF: Moody, Gorecki, Vigdal, D'Amato

Karrraine reported that despite a severe cut back in government funding over the past few years, our brand is strong. Corporate support has diminished significantly since the time 15 years ago when corporations underwrote the construction of an entire house and contributed $100,000 or more per year. The issue is how we can achieve our goal of serving 50 families a year with new construction, rehabs and repairs with a reduced income flow. Because some government funding comes with strict income limits for homeowners – at the lower end of AMI -- we have to refuse it because the homeowners who would qualify would have lower incomes and more vulnerable to job losses, illness, etc.

Ryan reported that we have 5,000 volunteers a year, and that the Hub system, which has 5,000 names, is much improved. Our IT system, Neon CRM, can produce accurate and good reports. There is an outreach to young people, ages 11-18, as well as to young professionals. There are six Habitat chapters in Connecticut.

Rose reported that we raised $50,000 net with Women Build this year; it has grown from being a one-day event to the entire month of May. We need to recruit more faith groups.

Cristina: The playhouse build was more successful than expected and raised $40,000. We also received $55,000 from the Golf Tournament. House sponsorships start at $50,000. We have received pledges from Arthur G. Russell and Travelers for 2020.

Board Development:

Mark reported on grants over the past few years:

2013: $1,537,000

2016-17: $1,000,000

2019: $165,000

Building a house costs $135,000 in materials, plus the overhead, so in 2013 we could build seven more houses than we can in 2019 – the difference is the result of the serious cut in funding. The bottom line: we need more donations, and board members should feel a responsibility to give names to the staff, who will make the "ask."

Billie said that one technique we need to promote this year is asking bars and restaurants to donate a percentage of their revenue to us. There are already several arrangements with local places that will be publicized to the entire board.

Growth:

Karraine reported that Tolland County has had an all-volunteer organization but that it has been dormant for the past 15 years. International is pushing for fewer affiliates, and Eastern Connecticut has acquired part of Tolland County as its territory. We are the biggest Connecticut affiliate, and it makes sense for us to add parts of Tolland County to our portfolio.

A motion was made by Eric and seconded by Billie to approve the addition of the following towns to our service area: Bolton, Ellington, Somers, Stafford, Tolland, Union and Vernon. The motion was unanimously approved.

There was a discussion about the feasibility of opening another ReStore. Matt is enthusiastic about it. It would be a smaller facility, a feeder, taking inventory from Bloomfield (which is 22,000 square feet.) Matt reports that we have reached the threshold of $1 million in revenue per year.

A motion was made by Anne and seconded by Eric to investigate the feasibility of opening a second ReStore in Tolland County. The motion was approved unanimously.

A motion was made by Anne and seconded by Sharon to change the name of the affiliate to Habitat for Humanity of Greater Hartford. It was approved unanimously. The change is contingent on getting approval from International.

A motion was made by Ben and seconded by Crystal to make technical changes to the bylaws, as follows:

a. **Spelling errors to be corrected**
b. **The chairperson of the board will now be called president, and the vice chair will be vice president.**
c. **The title of Executive Director will be President and CEO.**

The motion was approved unanimously.

Ben made a motion to invite Jennifer Guidry to join the board; the motion was seconded by Steve and unanimously approved. Her term will begin January 2020.

A motion was made by Billie and seconded by Steve to approve the Consent Agenda and was unanimously approved. (with a correction to the September 3, 2019 minutes)

The meeting adjourned at 7:35.

Meeting of the Board of Directors of

Hartford Habitat for Humanity

February 18, 2020

Present:

PRESENT: Brown, Carabase, Daigle, Dwivedi, Floyd, Guidry, Hamilton, Vasington

STAFF: DeRoy, Moody

The meeting was called to order at 5:40.

Mark commented on some ideas from "The Theology of the Hammer," by Millard Fuller, the founder of Habitat who advocated for the end to homelessness and substandard housing.

Membership : Matt Bjorkman and Ryan Jason are leaving the board; Billie is on a medical leave; Emily is returning.

Finance: We have $1,749,000 (cash), subtracting three months of construction hard costs and three months of general operations budget leaves a little over 1 Million in unrestricted funds.

We have received $500,000 from Eversource; $100,000 from Travelers, and we have sold 8 mortgages, which will return a higher amount than budgeted. We have paid off the $231,386 ReStore loan with the CD ($265,831) that was at Windsor Federal Savings and Loan.

Our cash position has improved; we have $550,000 in the construction budget, which will pay for one house in Bloomfield and two in Bristol. We can't project how the year will end.

Ben moved and Crystal seconded the acceptance of the September minutes. The motion was unanimously approved.

Ben: Suggested downloading the Amended By-Laws as a PDF for ready reference.

Ben said that he and Jennifer and Mark had interviewed Don Bates, a banker at Bank of America, for the position of board member. He has a passion for Habitat and a background in finance.

Ben moved and Jesse seconded a motion to elect Don Bates as a director to fill the vacancy created by Denise Harris' departure, for a first term ending 12/31/2022. The motion was unanimously approved.

Development Committee:

Fundraising goals for board members: we are sponsoring one board house in Windsor, starting July 1; We need to get commitments – either through crowd funding or donations, to total $100,000. Eric has gotten us off to a good start by raising $25,000 towards the house.

Donations can be made most easily on-line to our web site; there is a drop-down box so that donors can identify the board members they are supporting. Board members can share the following link to potential donors: http://igfn.us/form/GL67Eg

Donations can also be sent directly to Habitat at Post Office Box 1933, Harford CT 06144

Report on sponsored evenings: Abhist reported that Maggie McFly's in Glastonbury and Manchester will give 10% of bills incurred by patrons who bring a paper flyer or the notice on their phone from 5-9 pm the restaurant. The gift will cover drinks, dinner. Staff will be there to support the program. It's a networking and donation opportunity. Jennifer will talk to Billy Grant and Black-Eyed Sallie's about the possibility of using this type of fundraising.

Names we have given to Karraine: they were invited to fall events, and she is going to follow up with then for coffee. Mark is gearing up the Golf Tournament (last Monday in August)

Operations Update:

Construction schedule:

Future: Taylor Drive, Hartford; Rainbow Road, Windsor, (four houses); Haviland St, Bristol (two houses);Vineland St. rehab. 10 houses-slated for FY21

Past: Main St., Hartford: 6 houses; 80 Great Hill, East Hartford: recycle; Woodbridge, East Hartford: 1 house; Beach Road, Bloomfield, rehab; Cleveland Ave., Hartford: recycle; Lyness St. Manchester; rehab; West Clay St. Hartford: rehab; South Marshall St., Hartford: recycle; total: 13 homes for FY20

- One great advantage to acquiring land from Eversource is that it is responsible for remediation expenses.
- We are encouraged to attend meetings with Windsor neighbors and officials in March, when there will be a public hearing with abutters. Tom and Kris have tone door-to-door to talk about the project after mailings were sent to abutters. There will be a public/family oriented meeting March 12 at the Poquonock Community Church led by Crystal, a Windsor resident. Posters will be displayed and applications for housing can be made. We plan to show the full range of Habitat ownership. Plans for a three bedroom house with 1.5 baths and a garage are being drawn up in order to fit in with the architectural styles of the neighborhood, appraisal projected to be between 200-250k.
- The Farmington architectural firm of Quisenberry Arcari is donating their services to design the houses.
- Board members are encouraged to attend the March 12th meeting, as well as the planning and zoning and inland wetlands meetings held by the town.
- Windsor Project expected to cost $1-1.2 Million.

Bristol:

- $194,000 has been pledged: $120,000 pledged by Arthur G. Russell, a manufacturer of small medical devices.
- The houses will cost $380,000

Bloomfield:

- Band of America has pledged $35,000.
- Wells Fargo, $20,000
- Rent-A-Center: potential donor. Anne to try to check on reputation

Hartford:

- Travelers sponsored Taylor St. The company has pledged $100,000 per year for each of the past 15 years. We have also received a $25,000 grant to collect homeowner data that we can use with donors.
- Home Depot Foundation has given us a grant of up to $45,000 to make repairs for veterans.

IMPORTANT DATES:

Board meeting: March 10

Town meeting in Windsor: March 12 (meet and greet-invites send out through Outlook)

Bristol groundbreaking: March 13, 10am (arrive by 9:45am)

April 3: Morningside St., Bloomfield groundbreaking-Noon

Dedication for Lyness street: April 24 at 4:00pm

Audit: This year's audit by Habitat International was very detailed: It looked at policies, governance, development. We got C; It was the most thorough audit in 15 years.

The board will receive a status update on the ways the conditions have been addressed. Some of these concerns were the result of growth and change; some tasks have been put aside, and a few areas are substantive.

We have a partnership with ProBono and will update our employee handbook which is outdated. For example, no real distinction between full time and part time employees. The findings will be discussed in detail at the March meeting. The goal is to have the audit concerns addressed by the end of the fiscal year for most findings or by calendar year for some of the tasks that require additional staff.

In December, we had a discussion of the possibility of adding a second ReStore; changing our name and increasing our service area (it turns out that 5 of the 7 towns we talked about adding are already in our service area.) We only need to add Stafford Springs and Union.

We need to file a document with International stating our capacity. The largest item that needs to be addressed is the name change. International requires publicity about the change, which needs to have information in social media, and connections made with town officials and leaders.

At the March meeting, we will vote on whether to add the two towns and approve of the name change. We need to supply copy of our resolution to International.

We will also need to amend our Certificate of Incorporation. International can supply us with a lot of information about the best ways to implement and publicize the change.

A motion was made by Eric and seconded by Abhist to adjourn. The motion was unanimously approved.

The meeting adjourned at 7:35.

Respectfully submitted,

Anne M. Hamilton

Secretary

Minutes for Finance Committee February 18, 2020 8:00am

Teleconference attendees: Mark Vasington, Crystal Floyd, Anne Hamilton, Karraine Moody, Mike DeRoy

Cash Schedule This is the first Cash Balance report following the payoff of the ReStore loan. There was one mortgage sale this month, but we also needed to pay the ReStore 2019 sales tax of $65,612 in January. Starting in 2020 sales tax will be remitted monthly.

Key Indicator

-Grant Income will be limited to SHOP grants through HFHI and estimated to be $50K this fiscal year. All other budget variances are favorable.

-$550,000 remains in the Hard Costs Construction budget to support the new construction home starts this Spring in Bristol (2 homes) and Bloomfield (1 home).

Financing Options

-Windsor Federal $750,000 line of credit: Mark noted the advantage of a line of credit over a loan, but had a concern that the UCC filing would be for all assets even though total net assets of the Affiliate exceed $750,000. We would need to be certain this applied to current assets at the time of the loan, not new assets. Otherwise, we would be restricted when selling new mortgages. Mark also recommended the use of an attorney with experience in today's commercial lending environment, first to ascertain if these terms are the norm, and second to negotiate more favorable terms where appropriate.

-HFHI Loan: Preliminary documents submitted to HFHI to obtain amount available, terms and conditions to support 2021 Windsor new construction. HFHI does not offer a line of credit option. No decision on Windsor Federal commitment will be made until we receive a response from HFHI and appropriate comparisons can be made.

The meeting adjourned at 8:30 a.m.

AUDIT REPORT

GREEN

Findings and Risks	Recommendations	Management Response
Governance – Need to scale up the operations of the Affiliate (ITEM 6)		
HAHFH builds and rehabs around six to eight houses a year and served five families in FY19. Based on the social and economic factors (wealth and the need for affordable housing) of the Hartford area, the Affiliate should have higher production numbers. However, management informed us that among the main factors negatively impacting the productivity of the Affiliate were the lack of land, and, when available, the fact land is too expensive, high construction costs, and lack of public funds. We noted that up to now, HAHFH has operated mainly in the Hartford metropolitan area but there are plans to expand its operations beyond the Harford metropolitan area where land is more accessible. The current mix of rehabs and new constructions is in many cases dictated by factors beyond the control of the Affiliate, such as donor preferences, availability of land and is not based on a Board-approved strategic decision. Going forward, the CEO in consultation with the Board may want to make a strategic decision on the actual mix of rehabs and new construction, taking into account the factors mentioned above. The Affiliate may also want to look into revisiting public funds, which could help increase the funds available considerably. **Potential Risks:** • Limited capacity to accomplish the strategic plan and goals of the organization • Inadequate segregation of duties • Delays or inability to deliver programs	The CEO, in consultation with the Board, may wish to: • Consider ways and means of scaling up the organization including expanding its operations beyond the Harford metropolitan area where land is more accessible, with a view to build more homes and serve more families. • Make a strategic decision on the actual mix of rehabs and new construction while considering the factors mentioned in the finding. • Consider revisiting public funds, which could considerably help increase the funds available to the Affiliate.	**Action:** Disagree with the total number of families served on an annual basis. It was explained that affiliate had permit issues with the City of Hartford in CY 2018 which delayed our build schedule. In June 2019, the board reviewed the ideal mix of new construction, rehab and repairs. It is not the dire circumstances presented by the auditors. Affiliate builds/rehabs 10-12 per year. Affiliate completes 3-5 repairs per year. IAD should consider the operational adjustment needed to transition from 100% new construction to a full scale new/rehab and repair affiliate. **Position Responsible:** **When:**

Findings and Risks	Recommendations	Management Response
Construction and House Cost – Weaknesses in the vendor management process (ITEM 9)		
IAD's review of the procurement procedures for construction materials and subcontractors revealed the following issues: • Although the Affiliate has used the same vendors and sub-contractors for a prolonged period, there was no documented evidence to show that a rebidding exercise was done on a regular basis. While there could be some advantages to these long-term relationships, best practice is for all the sub-contract jobs to be rebid every three to five years to ensure that the organization is obtaining value for money from their vendors and subcontractors. • Contracts that clearly defined work statements, performance standards and provided for specific measurable deliverables and reporting requirements, including due dates, were not established with all major vendors and subcontractors. **Potential Risk:** • Inability to construct homes efficiently • Poor relations with major vendors • Overpayment for services to vendors • Payment for services at higher than market value • Inefficiency, cost overruns and/or payment for substandard services	The CEO should ensure that: • Rebidding of all major subcontracts is performed with a view to obtaining better prices and conditions. • Contracts with all major vendors are established with clearly defined work statements, performance standards and provide for specific measurable deliverables and reporting requirements, including due dates.	**Action:** We follow all of the HUD SHOP guidelines and have had audits without issue for the past five years. Bid process happens for every project. New vendors were sourced in 2017; however, we have received favorable bids from three to four of our legacy vendors. Contracts and scope of work are clearly defined. Our homes have been acknowledged and award for superior build, energy efficiency and design in 2018 and 2019.

Findings and Risks	Recommendations	Management Response
Governance – Need to update and or amend the current bylaws-ITEM 14		
The audit identified that the bylaws in effect at the Affiliate were approved in 2010, which is some nine years ago. We noted that a number of changes had been annotated on the current bylaws, but the document had not been formally updated and approved by the Board. The CEO informed us that the Board is aware of the matter and they are in the process of revising the bylaws. **Potential Risks:** • Noncompliance with Federal and State laws • Failure of bylaws to keep up with business changes • Current bylaws might not include any new resolution taken by the Board	The Board, in consultation with the CEO, should have the bylaws reviewed and updated as soon as possible.	**Action:** Board approved revisions to bylaws at December board meeting. Bylaws updated and adopted. **Position Responsible:** **When:**

Findings and Risks	Recommendations	Management Response
Cash and Banking – Weaknesses in credit card reconciliation processes-ITEM 20		
Review of HAHFH's current processes in place related to credit card expenses identified the following weaknesses: • A form of a reconciliation process was in place in which the Office Manager collected and filed receipts for the employees' expenses; however: o There was no supervisory review and approval of the expenses; and • There was no process in place to provide the Director of Finance with the supporting documentation prior to payment of the credit card statements. We noted that none of the paid credit card statements sampled had the required supporting documentation showing that they had been reviewed and approved. For example, the total credit card expenditures for the CEO for the two months tested was $6,791 and she had only submitted $500 of supporting documents (7%) to the Office Manager although the credit card statements had been paid. In addition, the CEO's expenses had not been reviewed and approved by the Board.	The CEO, in collaboration with the Director of Finance, should: • Develop and implement a robust system for a credit card reconciliation process; • Ensure that all credit card transactions are substantiated with sufficient supporting documentation; • Ensure that all credit card reconciliations are reviewed and approved by the respective employee's supervisor; and • Ensure that all credit card reconciliations are performed prior to payment of the credit card statement.	**Action:** Agreed, we have now combined the process into one streamlined system that is managed by operations. The credit card bill isn't paid until all receipts are accounted for. The CEO has transitioned all of the recurring charges from the assigned credit card to the operations credit card to make the process streamlined. **Position Responsible: Operations** When: Already in place along with the updated sign off sheet that makes credit card holders accountable for missing receipts. Credit cards limits were were adjusted in 2019 to reduce by CEO. Also canceled cards for other staff.
Cash and Banking – Weaknesses in bank signatories-ITEM 22		
Although a Board resolution was made on February 5, 2019 authorizing the new Board Chair, Board Secretary, and Executive Director to be signatories on HAHFH's bank accounts, the signatories for the Windsor Federal accounts were not changed until August 2019. In addition, the signatories for the remaining accounts at People's United, Liberty (formally Simsbury) and US Bank had not been changed at the time of the audit and still included the former Board Chair and Treasurer.	The CEO should continue with processes to ensure that the outdated signatories are removed and replaced with those individuals approved by the Board as soon as possible. Going forward, any authorized changes to bank signatories should be made in a timely manner.	**Action:** United Bank was updated on January 24th and Liberty Bank updated on February 21st. US Bank was closed on 12/31/2019 in conjunction with new market tax credits. **Position Responsible:** **When:**

Findings and Risks	Recommendations	Management Response
HR/Payroll – Weaknesses in HR processes and documentation-ITEM 23		
HAHFH did not have an HR specialist on board; the HR function was being performed by the CEO at the time of the audit. The HR files were locked in the CEO's office. A review of HFHH's HR processes, documentation and a sample of seven employee files disclosed the following issues: • HAHFH did not have a new hire/termination checklist in place to ensure that all the required steps and processes are followed in accordance with HAHFH policies and procedures and in compliance with local labor laws. • Some HR files did not include consistent supporting documentation such as: basic employee information (name, address, and phone number) and emergency contact details, offer/appointment letters, job descriptions, copies of the performance evaluations, copies of certificates, reference letters, authorization for background checks, copies of identity and social security cards, COI disclosure forms, Internal Revenue Service ("IRS") tax withholding forms like W-4s and forms relating to employee benefits, such as enrollment forms and beneficiaries, list of assets assigned, etc. • While background checks appeared to have been performed for some of the selected sample of employees, no evidence was maintained in the employee's file of these checks.	The CEO should establish a procedure to ensure the following: • All personnel files contain at a minimum the following documents: o New hire and termination documented checklists are in place to ensure the HR file completeness o CV, current contract signed by both the employer and the employee, and current job description and copies of ID cards, etc. o Contact address (name, address, and phone number) and emergency contact details. o IRS tax withholding forms like W-4s and/or W-9s o Payroll and compensation information, including any paycheck or pay card data o Contracts or agreements between the employee and the employer, such as a non-compete agreement, an employment contract, or an agreement relating to a company-provided car or business credit card forms relating to employee benefits, such as enrollment forms and beneficiaries o A duly signed COI disclosure form o An Employee Handbook Receipt Form signed by the employee. Additionally, the CEO in consultation with the Board may wish to contract an HR specialist on a short-term contract to perform an audit of the HR processes, documentation, etc. with a view to ensuring that it complies with HAHFH's policies and local labor laws.	**Action:** CEO and Operations has reviewed all HR files and we are in compliance. We have organized the files per the existing checklist, printed every electronic file and now have complete paper files. We will transition to an electronic system with new IT grant. We have the process and procedure-just needed to organize the files into one paper system. **Position Responsible:** **When:**

Findings and Risks	Recommendations	Management Response
IT – Weaknesses related to HAHFH IT environment-ITEM 24		
A review of the HAHFH's IT environment revealed the following issues: • Although HAHFH did not have an IT specialist on board, it had not contracted an outside firm to provide them with IT support. • HAHFH did not have formal IT policies and procedures addressing: o Logical access o Change management o Disaster recovery o Backup and data recovery o Software installation o Internet usage In addition, the review of the IT area disclosed that HAHFH had not developed, implemented, and tested a Business Contingency Plan, which would allow the business operations to continue should a man-made or natural disaster occur. **Potential Risks:** • Exposure of HAHFH to malicious acts that could compromise its computer systems • Interruption of operations • Loss of critical data • Inability to operate in case of an emergency	The CEO should: • Contract an outside IT expert to support the IT operations of the Affiliate that will ensure that HAHFH has IT support on a consistent basis; • Ensure that HAHFH has formal IT policies and procedures that include clearly written procedures related to the areas addressed in the finding; • Ensure that HAHFH develops and tests disaster recovery and business continuity plans on a periodic basis; and • Ensure that users are automatically prompted to change their passwords every three months at a minimum and those computers are automatically turned off after a period of idle time (usually 10 to 15 minutes).	**Action:** Management has applied for grant and will create an IT policy. Since auditors left we have updated our security protocol, conducted a cybersecurity risk assessment, increased filter protocols. Although we did not have a process. We do operate out of a state of the art, office space. **Position Responsible:** Karraine/April/Mark Pandolfo **When:**

Findings and Risks	Recommendations	Management Response
Fixed Assets – Opportunities for improvement in Facilities management-ITEM 25		
HAHFH owns one of its office premises, which at the time of the audit needed some repairs. Since the Affiliate does not have a Facilities Manager, the Director of Construction provided technical support to the Affiliate. We were also not able to identify a maintenance budget set aside for routine and emergency repairs. The CEO informed us that repairs to the building were going to be implemented in the next few months. **Potential Risks:** • Expensive emergency service calls and lawsuits • Failure to maintain building systems and equipment up to date and running efficiently	The CEO should ensure that a budget provision is set aside for both routine and emergency repairs.	**Action:** Roof was replaced in February 2020 when weather allowed. Roof replacement was budgeted in Fiscal 20 budget with a tentative repair but decided to do full replacement DO NOT AGREE **Position Responsible:** **When:**
Volunteer Engagement – Opportunities for improving the evaluation mechanism of the volunteer program-ITEM 26		
IAD noted that although HAHFH has a very robust volunteer program that has contributed considerably to its work, a review of the work processes in place around volunteer management showed that there is an opportunity for improvement in the feedback mechanism. The current mechanism to solicit formal feedback on the volunteer program is web-based. In our view, it is not the most user-friendly mechanism for volunteers. It would be better to implement a simpler system to obtain formal feedback on the volunteer program by giving the volunteers an evaluation sheet at the end of their work and collect these as soon as they are completed and before they leave, which has provided a higher response rate when it has been used at other Affiliates.	The CEO should have the Affiliate implement a simpler mechanism for obtaining feedback on the volunteer program to replace the current web-based mechanism by giving the volunteers an evaluation sheet at the end of their work and collect the completed sheets before they leave.	**Action:** DO NOT AGREE. We have a robust volunteer program with great reviews and have over 90% of our corporate sponsors return annually. Position Responsible: This recommendation does not align with all of the best practices we've reviewed when designing our volunteer program. When:

YELLOW

Findings and Risks	Recommendations	Management Response
Resource Development – Urgent need to develop an effective fundraising strategy and organization structure-item 1		
With the increasing competition for a limited pool of resources available to non-governmental organizations, developing an effective fundraising strategy, structure and organization is of paramount importance at the affiliate. A review of the resource development arrangements at the Affiliate revealed the following issues: • Absence of a detailed fundraising strategic plan. A draft was prepared for discussion with the Board but there is no formal Board-approved fundraising strategy for the Affiliate. • Inadequate organization and capacity in the fundraising activities of the Affiliate. Although the Affiliate had three staff in the Development department covering the corporate, individual and volunteer engagement areas, upon further scrutiny most of the activities were geared towards volunteer engagement and not specifically towards fundraising. • There is no coordinator assigned overall responsibility for the fundraising activities at the Affiliate. All of the three staff in the Development department report directly to the CEO. • While there is a Development Committee at the Board level responsible for developing a fundraising strategy in consultation with the CEO, there was no evidence that the Committee had been as effective as would have been expected. • The Affiliate does not have a strong social media presence, which would enable it to reach a wider audience by digitizing its advertising and marketing.	The CEO, in consultation with the Board, should: • Reexamine the Affiliate's fundraising activities with a view to developing a well-thought-out fundraising strategy, structure and staffing. The strategy should have very clear goals and targets, which should be communicated to all staff members to create a sense of cohesion so that everyone can collaborate towards a common goal. • Ensure that the Development Committee of the Board sets its fundraising goals and works in tandem with the CEO and the staff in the Development department. The plan should be reviewed and adjusted to take into account any new developments. • Consider working with a consultant or professional fundraiser to assist the development team, the Board and the whole organization in developing a fund raising strategy and techniques. • Develop a social media strategy that could include not only fundraising objectives but other communications, brand recognition, volunteer engagement and youth engagement strategies.	**Action:** The affiliate will hire a Director of Development to streamline the development efforts and bring the staff to accountability. Position is posted on Indeed and hope to hire the new DOD by July 1, 2020. The development plan was completed by the HFPG with a consultant and included input by board and staff. It will be the marching orders of the new DOD. It will be adopted by the board by 10/30/2020. Management rejects the claim of not having a strong social media presence. Board recently initiated the Development Committee and has made the pledge to raise funds towards the sponsorship of a home at 100K. It was not brought to management's attention that the auditors were seeking data on social media presence and impact. **Position Responsible: CEO and Board** **When: July 1, 2020**

Internal Control Activities – Weaknesses in the control environment-item 2		
The audit disclosed overall weaknesses in the Affiliate's control environment arising from a number of internal control gaps such as: • Lack of staff capacity in the Finance department in terms of the number of staff and skill sets. At the time of the audit, the Finance department consisted of just the Director of Finance and a trainee. We noted that because of the lack of capacity, key duties and responsibilities in the Finance department such as journal entries, account reconciliations, financial statements, budgets and government tax payments, etc., are performed mainly by the Director of Finance. Apart from these duties being too much for the individuals, they should be segregated by adding a third individual in the Finance department if the financial situation will allow, or the risks could be mitigated by implementing compensatory controls by, for example, adding additional reviewers and approvers to key processes. • Additionally, there was also lack of capacity in terms of skill sets in the Family Services department. Due to the lack of skill sets, the Affiliate did not comply with many of the Mortgage Procedures and Regulations ("MPAR"). • Because of the lack of capacity in this key area, the Affiliate had not been able to implement a set of standards, processes, and structures that provide the basis for carrying out adequate internal controls across the organization. For example, the review identified that the Affiliate had not fully implemented the main internal control procedures of separation of duties	The Board and the CEO should: • Explore the possibilities of improving the segregation of duties in the Finance department by adding an additional full-time person if the financial situation allows. In the meantime, the risks could be mitigated by implementing compensating controls by, for example, adding additional reviewers and approvers to key processes. • Review the skill sets of the staff in the Family Services department to ensure that they have the skills required for the jobs they are performing.	**Action:** Management is looking to hire a part time book-keeper to improve the work flow and fiscal controls within the finance function. IAD should refrain from assessing staff based on a short field visit. As discussed the affiliate went through a massive change in the past five years to right the ship. MPAR & QLO became a policy in 2017. The staff have completed the initial requirement of certification and will upgrade the policies to reflect the new standards. Staff is currently updating our fiscal policies and implementing the protocols. The draft policy will be reviewed by the finance committee and presented to the board in June as the budget is approved. **Position Responsible:** CEO, DOF, Board Treasurer **When: July 1, 2020**

(different individuals should be responsible for related activities), access controls, independent internal verification, standardized documentation, trial balances, periodic reconciliations, and approval authority, which exposes the organization to a number of risks. • Failure to implement key policies and procedures, such as a procurement policy. The Affiliate had not implemented a full Delegation of Authority matrix. • Lack of segregation of duties particularly in the Finance department where the Finance Director performed most of the tasks in the Finance department. • Inadequate review of supporting documents prior to disbursement. • An overriding focus on the successful implementation of the programmatic side of the strategic plan at the expense of the day-to-day management at the office. The cumulative effect of these internal control weaknesses exposes the organization to a high level of overall risk. **Potential Risks:** • Misappropriation of funds • Payments being made for goods and/or services not received by the organization • Unauthorized payments		
Procurement and Disbursements – Weaknesses in the procurement and disbursements of construction materials and subcontractors-item 7		
IAD's review of a sample of procurement and disbursements of construction materials and subcontractors during the review period disclosed the following issues:	The CEO, in consultation with the Director of Finance, should ensure that: • There is adequate segregation of duties in the procurement of construction materials, services and subcontractors. The Director of Construction	**Action:** To be determined if new staff or task outsourcing is finalized. Our affiliate has implemented several new procedures to avoid the amount of paper and increase efficiency.

• There was inadequate segregation of duties in the procurement of construction materials, services and subcontractors. The Director of Construction performed, among other tasks, the following:
  o Sourcing the available options;
  o Agreeing with the vendor the price and terms;
  o Preparing the scope of work and/or placing orders for goods and services;
  o Receiving and inspecting some of the purchases;
  o Approving invoices for payment; and
  o Verifying that the services have been delivered, etc.
• Payment for construction materials did not include a three-way match (Purchase Order, or "PO"/Work order, invoice, and goods received note or "GRN"). Due to the lack of adequate review, IAD noted an overpayment of $4,980.42 and an underpayment of $9 to one of its largest construction materials vendors. While the overpayment was eventually caught and credited back to the Affiliate, given the number of payments made to this vendor, if this finding was to be extrapolated, the potential loss that HAHFH could incur would be substantial.
• The supporting documentation evidencing the selection of subcontractors and vendors was not maintained systematically.
• There were some cases of non-competitive selection of a sole vendor without documented explanation. We were informed that in many cases the Affiliate requested bids from several potential subcontractors prior to contracting, but many of them did not respond.
• Although HAHFH's procedures required two signatories for disbursements greater than $25K,
	should not perform the incompatible tasks listed in the finding.
	• A three-way match (PO/work order, invoice, GRN) is performed prior to any payment for construction materials.
	• Limits are established on the actions that can be approved by the Director of Construction without supervisory review. Any decisions involving purchases above these limits should be reviewed and approved by a higher authority.
	• Supporting documentation evidencing the selection of subcontractors must be maintained systematically in accordance with federal and state laws.
	• All work orders are sufficiently detailed to ensure that there are no ambiguities and they can be used to confirm whether goods/services have been received before a payment is made.
		Position Responsible: CEO/DOF/Finance committee
		
		When: December 2020

IAD identified an instance where there was only one signature on a disbursement that was greater than $25K. **Potential Risks:** • Fictitious, duplicate, and/or erroneous payments • Misappropriation of assets • Payment for unauthorized purchases • Inappropriate or unauthorized expenditures		
Internal Control Activities – Weaknesses the review and approval process for payments-item 8		
Invoices for the procurement of construction materials and services were submitted or received by the Director of Finance, who, in most cases, initiated the payment process. According to him, he would receive an email from the Director of Construction confirming that he had received the materials or services. Otherwise, he would prepare the payment, cut the check and send it to the bank signatories for check signing. In the sample of disbursements reviewed, there was no documentation to evidence that the supporting documentation had been reviewed and approved by a supervisor before the payments were affected. We were informed that the disbursements were reviewed by the CEO and approved when the check was signed. The review and approval process of disbursement documentation could be improved by using a disbursement voucher or an "Invoice Approval" stamp including the reviewer and approver to ensure that no payment is made without evidence of review and approval. **Potential Risks:** • Misappropriation of assets • Reimbursement of inappropriate or unsupported expenses • Fictitious, duplicate, and/or erroneous payments	The Director of Finance should implement a disbursement voucher system or an "Invoice Approval" stamp including the reviewer and approver to ensure that no payment is made without evidence of review and approval.	**Action:** To be determined if new staff or task outsourcing is finalized. Our affiliate has implemented several new procedures to avoid the amount of paper and increase efficiency. **Position Responsible:** CEO/DOF/Finance committee **When:** December 2020

Homeowner Selection – Family Selection Committee weaknesses-item 13		
While HAHFH has a Family Selection Committee that assists with the review of the homeownership applications, the audit revealed the following weaknesses: • There were no processes in place for disclosures and vetting of conflicts of interest ("COIs") with the committee members; • No information from the Family Selection Committee meetings was being reported to the Board; and • There was no process in place for the formal approval of the families by the Board. **Potential Risks:** • Nondisclosure of COIs gives the appearance of a lack of transparency • Lack of visibility by the Board into the Affiliate's operations • Selection of home partners that could pose a threat to the community	The Family Services Director should ensure that: • Processes are established for the disclosure and vetting of COIs with Family Selection Committee members; • Information and recommendations by the Family Selection Committee are presented to the Board; • A formal process is put in place for the Board to approve families into the homeownership program.	**Action:** Agreed. Affiliate in the past 15 years did not submit financial details to board of directors. This is an easy accommodation. **Position Responsible:** DOFS/CEO **When:** Board will have summary of applicants at June Board Meeting. Will happen every six months per selection cycle.
Governance – COI disclosure form was not signed by Board members and staff on an annual basis-item 18		
A review of a sample of Board member files revealed that the annual COI statement that all Board members were required to sign each year disclosing any potential COI that could affect the organization was not completed and signed on an annual basis by Board members. In addition, review of a sample of personnel files disclosed that COI disclosure forms were not signed by the staff on an annual basis.	The CEO, in consultation with the Board Chair, should ensure that all Board members complete and sign the annual COI disclosure form as soon as possible. In addition, the CEO should ensure that COI disclosure forms are signed by all the staff on an annual basis.	**Action:** Agreed to be updated and process followed. **Position Responsible:** BOD **When:** July 2020

• Undisclosed COIs could go undetected and lead to fraud		
Cash and Banking – Weaknesses in bank reconciliations-item 21		
Review of HAHFH's bank reconciliation processes and a sample of two months of bank reconciliations for all accounts identified the following weaknesses: • Reconciliations were not independently reviewed and approved as the Director of Finance prepared them. • Five of the 11 reconciliations for the December 2018 period were not completed. According to the Director of Finance, these were for accounts that had minimal activity each period (i.e. bank fees or interest earned); therefore, reconciliations would only be performed on a haphazard basis. • Some of the reconciliations had not been completed in a timely manner. For example, three of the December 2018 reconciliations were not completed until February 2019. • One of the G/L account balances for the September 2019 period did not tie back to the trial balance, and no explanation for the variance was provided by the Director of Finance at the time of fieldwork. **Potential Risks:** • Irregularities, errors and/or omissions not being detected in a timely manner • Fraud • Inaccurate financial statements	The Director of Finance should: • Develop and implement a process for the bank reconciliations to be independently reviewed and approved; • Ensure that reconciliations for all bank accounts are performed every month, and on a timely basis; and • Ensure that all discrepancies are identified and resolved in a timely manner.	**Action:** Agreed but realizing that with one full time person- there are limitations. With new staff or the outsourcing of tasks-reconciliation will happen on time. **Position Responsible:** **When:**
Internal Control Activities – Weaknesses in the anonymous reporting mechanism	Item 17	
HAHFH's whistleblower policy is included in the Employee Handbook and provides some information	The CEO should review the current whistleblower policy to ensure the following:	**Action:** Agreed to be updated and process followed.

on how staff can report suspected fraud or other misconduct. Specifically, the policy states "*The employee may report the fraud/misconduct to the employee's immediate supervisor; the supervisor shall immediately report the allegation to the Executive Director, unless the allegation involves the Executive Director, in which the supervisor shall report the allegation to the Chair of the HAHFH Board's Audit Committee or the President of the HAHFH Board.* *In the alternative, the employee may report the allegation directly to the Executive Director or to the Chair of the HAHFH Board's Audit Committee or to the President of the HAHFH Board*". IAD's review of the policy revealed the following issues: • The process as described in the policy clearly eliminates the anonymity of the complaining party. • The policy does not guarantee confidentiality and independence and does not include the procedures related to reporting cases when the CEO or a BOD member is the subject of the allegation. • Based on discussions with management and staff, no separate whistleblowing or reporting training had been provided to employees during the review period. • The policy does not include information on the availability of the HFHI MySafeWorkplace ("MSWP") hotline, the anonymous reporting tool used by Habitat entities for individuals to report workplace issues including those related to the Board and financial and auditing concerns, COIs, theft, harassment, and unsafe conditions. **Potential Risks:**	• The anonymity of the complaining party is ensured by implementing anonymous reporting options (e.g., email, hotline, etc.), which should be communicated to all Board members, staff, partners, and volunteers. • Procedures related to reporting cases when the CEO or a BOD member is the subject of the allegation are included in the policy. • Information about the HFHI MSWP hotline is included. • MSWP overview information and contact details are posted at the Affiliate's public areas of HAHFH offices and ReStores.	**Position Responsible:** BOD **When:** July 2020

• Illegal or unethical conduct may occur but not be reported or not be reported in a timely manner • Lack of uniform understanding of ethical norms and standards		

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Findings and Risks	Recommendations	Management Response
Homeowner Selection – Noncompliance with legal disclosures and timing requirements item 3		
Review of HAHFH's homeowner selection processes noted gaps in the following areas related to the timely issuance of certain disclosures which were required according to MPAR: • The Right to Receive a Copy of an Appraisal disclosure was not provided to applicants as required by the Equal Credit Opportunity Act, or "ECOA". • The ECOA Special Purpose Credit Program Notice was not provided to applicants as required by ECOA. • It could not be validated whether Notice of Action ("NOA") letters (i.e. acceptance, denial, or additional information required) were sent to applicants within 30 days of receipt of the first piece of information from the applicants as there was no process in place to evidence the date of the information's initial receipt [ECOA]. • Initial disclosures were not provided to homeowners within three days of HAHFH receiving the completed Real Estate Settlement Procedures Act ("RESPA") application, such as the List of Homeownership Counseling Organizations [RESPA]; Home Loan Toolkit [RESPA]; Intent to Proceed with Application [RESPA]; and the Privacy Notice [Gramm-Leach-Bliley Act ("GLBA")]. In addition, there was no process in place to evidence the timing of receipt of the Loan Estimate for applicants [Truth in Lending Act – RESPA Integrated Disclosure, or "TRID"]; • Copies of the appraisals were not provided to homeowners within seven days of completion or no later than three days before loan closing [ECOA]. According to the Family Services Director, a copy of an appraisal was provided to applicants along with the Loan Estimate.	The Family Services Director should utilize HFHI's mortgage origination checklist to identify all of the required disclosures and timing requirements throughout the homeowner selection and loan origination processes and, where required, revise HAHFH's homeowner selection process to ensure that it is compliant with the MPAR requirements (i.e. include the Right to Receive a Copy of an Appraisal disclosure on the application form, utilize a received date stamp to document the initial receipt of an application, develop a checklist for homeowners to sign evidencing their receipt of required disclosures, etc.). In addition, the Family Services Director should consult with HAHFH's attorney to confirm the disclosures required for the loan origination process and which party will be responsible to providing them to the applicants.	**Action:** CEO, DOFS, consultant reviewing all of the requirements required by Department of Banking, HFHI so that we can streamline and make the mortgage process in compliance from the recruitment meeting, screening, vetting, program compliance to closing. **Position Responsible:** CEO, DOFS, DOF **When:** July1, 2020

Findings and Risks	Recommendations	Management Response
• There was no process in place to evidence that the Closing Disclosure was provided to the applicant three days prior to closing [TRID]. In addition, in one instance the HUD-1 Settlement Statement was provided instead of the Closing Disclosure. • There was no evidence to verify that an Initial Escrow Statement and Transfer of Servicing Notice was provided to homeowners at closing or no later than 45 calendar days post-closing and 15 calendar days before transferring respectively [RESPA/Truth-in-Lending Act or "TILA"]. **Potential Risks:** • Potential fines, penalties, and/or legal action against the Affiliate for noncompliance with MPAR laws and regulations • Noncompliance with HFHI policies and procedures • Insufficient time for homeowners to fully consider information prior to deadlines		
Homeowner Selection – Weaknesses in homeowner selection processes and documentation- item 4		
Review of HAHFH's selection processes related to application for its homeowner programs and the corresponding homeowner files identified the following weaknesses: • HAHFH did not have the required policies and procedures for its homeownership program (i.e. homeowner selection, mortgage origination, mortgage servicing, Qualified Loan Originator ("QLO") requirements, criminal background check, definition of completed ECOA application, etc.). • There was no documented evidence retained to verify if criminal, sex offender or Office of	The Family Services Director should: • Leverage HFHI's Homeowner Selection/ Mortgage Origination Policy Handbook template to develop a comprehensive manual for the required policies and procedures; • Develop, implement, and document processes to evidence that criminal, sex offender and OFAC database checks are performed; • Revise current processes to ensure that PALs are provided to applicants in a timely manner (i.e. within the disclosure timing requirements, and prior to the applicant beginning any program	**Action:** CEO, DOFS, consultant reviewing all of the requirements required by Department of Banking, HFHI so that we can streamline and make the mortgage process in compliance from the recruitment meeting, screening, vetting, program compliance to closing. We have a selection process that is being reviewed to be implemented into the new full scope Homeowner Selection and Mortgage process. **Position Responsible:** CEO, DOFS, DOF

Findings and Risks	Recommendations	Management Response

Foreign Asset Control ("OFAC") database checks were performed (as required by MPAR and HFHI policy). According to the Family Services Director, criminal and sex offender checks were being performed; however, OFAC database checks were not.
• The Partnership Agreement Letters ("PALs") were not signed until a number of months after the initial application process, and in one instance the PAL was not signed until a year later. According to the Family Services Director, this was due to the time it took for HAHFH to obtain an address for the property from the city to include on the file. However, this agreement includes pertinent information related to the homeownership program that the applicant would have already started and is held accountable to. It is also an NOA letter that is held to legal disclosure timing requirements as detailed in V.3.
• The Director of Finance was performing some duties that should have been performed by a QLO and also participating in some of the closing, even though he was not designated as a QLO and had not completed the required trainings.
• Applications were only made available to applicants during the Applicant Information Meeting, instead of at times and venues outside of this meeting as required by the ECOA and the Fair Housing Act.
• Files were inconsistent and missing documentation such as:
  ○ The entire application support for one of the selected homeowners;
  ○ Sweat equity records; and
  ○ Mortgage calculation sheets.
	requirements such as workshops and sweat equity);
	• Remove the Director of Finance from the closing meeting, and only have a QLO present that could interact with the applicant in addition to the attorney;
	• Ensure that applications are made available to prospective homeowners in multiple venues (this could include ensuring that applicants are made aware of the fact that outside of coming into the office, they can receive a copy of the application through the mail upon request or online); and
	• Develop a comprehensive checklist to include in the homeowner files, to ensure its completeness.
		When: July1, 2020

Findings and Risks	Recommendations	Management Response
Potential Risks: • Potential fines, penalties, and/or legal action against the Affiliate for noncompliance with MPAR laws and regulations • Unknowingly approving a home partner that could pose a threat to the community • Inability to demonstrate that a home partner was approved or rejected in accordance with policy • Loss of required homeowner documentation		
Internal Control Activities – Lack of implementation and documentation of policies and procedures-item 5		
The audit identified that HAHFH had not implemented the following key policies: • Delegation of Authority Policy; • Procurement Policy; • Segregation of Duties; • Credit Card Usage Policy; • Fixed Assets Policy; • Fraud Policy; • Mortgage Origination; • Loan Write-off; and • House Pricing, etc. In addition, there was a need to improve policies and procedures in the Family Services and Construction departments where the policies have not been adequately developed and documented and they were not a prominent feature of the compliance effort of the organization. Furthermore, IAD noted that some policies and procedures that were in place were outdated and, in some cases, contradicted themselves and/or the current process in place. For example, there was a contradiction with the thresholds for procurement	The CEO, in consultation with the senior management team of HAHFH, should perform the following in order to ensure the organization has all the required policies and procedures in place to govern the current business operations: • Identify all the missing policies and procedures, draft them and present them to the Board for review and approval. • Ensure that all the policies are communicated to HAHFH's employees and are maintained in a central repository that is easily accessible. • Once the policies and procedures have been formally approved and implemented, a process should be put in place for the Board and key management to periodically review them and revise as needed. In addition, the CEO should review the policies, procedures and work processes in the Family Services and Construction departments to bring them to the same level as those in the Finance department by prioritizing critical operations, especially those that have the greatest lack of policies, procedures and processes.	**Action:** Management is currently updating, revising and reviewing the policies/procedures requested by the auditors. It will be presented to the board and the June meeting. **Position Responsible: CEO/Governance** **When: June 2020**

Findings and Risks	Recommendations	Management Response
bidding, required signatories for bank accounts, and the policy requiring payroll to be outsourced. **Potential Risks:** • Inability to enforce employee accountability due to lack of standardized policies • Inconsistent practices among employees and/or departments • Processing errors due to a lack of knowledge		
Mortgage Administration – Lack of documentation relating to extenuating circumstances-item 10		
During the course of the audit, IAD became aware of an instance where HAHFH sold a duplex to a family, with extended family renting out the second unit. According to the CEO, this was a one-time situation due to prior funding and municipal commitments that the former leadership had made. Due to the type of dwelling required because of zoning restrictions, if the duplex had been sold to two separate families, then HAHFH would have been responsible for establishing and managing a condo association. In the past, the Affiliate conveyed these types of units to family members both on the mortgage and note. In some cases, the Affiliate conveyed as a condo association with two members and the Affiliate serving as part of the association. However, creating the condo associations was not an ideal practice as it had placed a large financial and legal responsibility on the Affiliate, and the Board did not want the Affiliate to create associations that they could not sustain themselves. As Habitat's mission is to promote homeownership, and guidance was issued restricting Habitat affiliates from undertaking, entering into or acquiring rental housing projects, IAD inquired as to whether HAHFH had consulted HFHI on this matter and	The CEO should: • Follow-up with HFHI's Legal department to ensure that there are no other implications that were not considered and need to be addressed; and • Going forward, ensure that documentation is maintained for any correspondence between the Affiliate, the Board, outside parties, etc. related to unusual circumstances	**Action:** Will seek clarity from HFHI going forward. I know that other affiliates have this model but will clearly investigate and establish a policy with the board's guidance. **Position Responsible: CEO/Board** **When: December 2020**

Findings and Risks	Recommendations	Management Response
whether there was documented evidence. According to the CEO, staff had reached out to HFHI's Self-Help Homeownership Opportunity Program ("SHOP") team and were told that the U.S. Department of Housing and Urban Development ("HUD")/SHOP funding could not be used. HAHFH also confirmed the circumstances with the municipality and the local foundation that funded the build. However, HAHFH did not consult with HFHI's Legal department, and no documented evidence was maintained to validate discussions with the Board on this particular situation. **Potential Risks:** • Noncompliance with HFHI policies and procedures • Mission drift		
Mortgage Administration – Lack of agreements with third party service providers-item 11		
At the time of the audit, HAHFH's mortgage servicing was being done by People's United Bank (formally United Bank) and Capital for Change ("C4C"), with the intent to move all of the mortgages that they can to C4C. However, IAD noted that there was no agreement between HAHFH and People's United Bank (formally United Bank) to govern the arrangement and each party's role. Also, while there was an agreement between HAHFH and C4C, it was not detailed enough to confirm all of the required services being provided for compliance with the RESPA laws (i.e. completion of escrow analyses, sending annual escrow and mortgage balance statements to homeowners, performance of OFAC check on loan portfolio, etc.). **Potential Risks:**	The CEO should: • Finalize a formal agreement between HAHFH and People's United Bank as soon as possible; and • Work with a local attorney to revise the agreement between HAHFH and C4C to ensure that it identifies all of the RESPA servicing requirements and which party is responsible.	**Action:** Affiliate is in the midst of transitioning mortgages to new servicer-C4C. Also have 6 mortgages in foreclosure as well as those sold in fiscal 19 and 20 to CHFA. Finance will be sure to reconcile and having balanced report per the QAC. **Position Responsible:** DOF **When:** September 2020

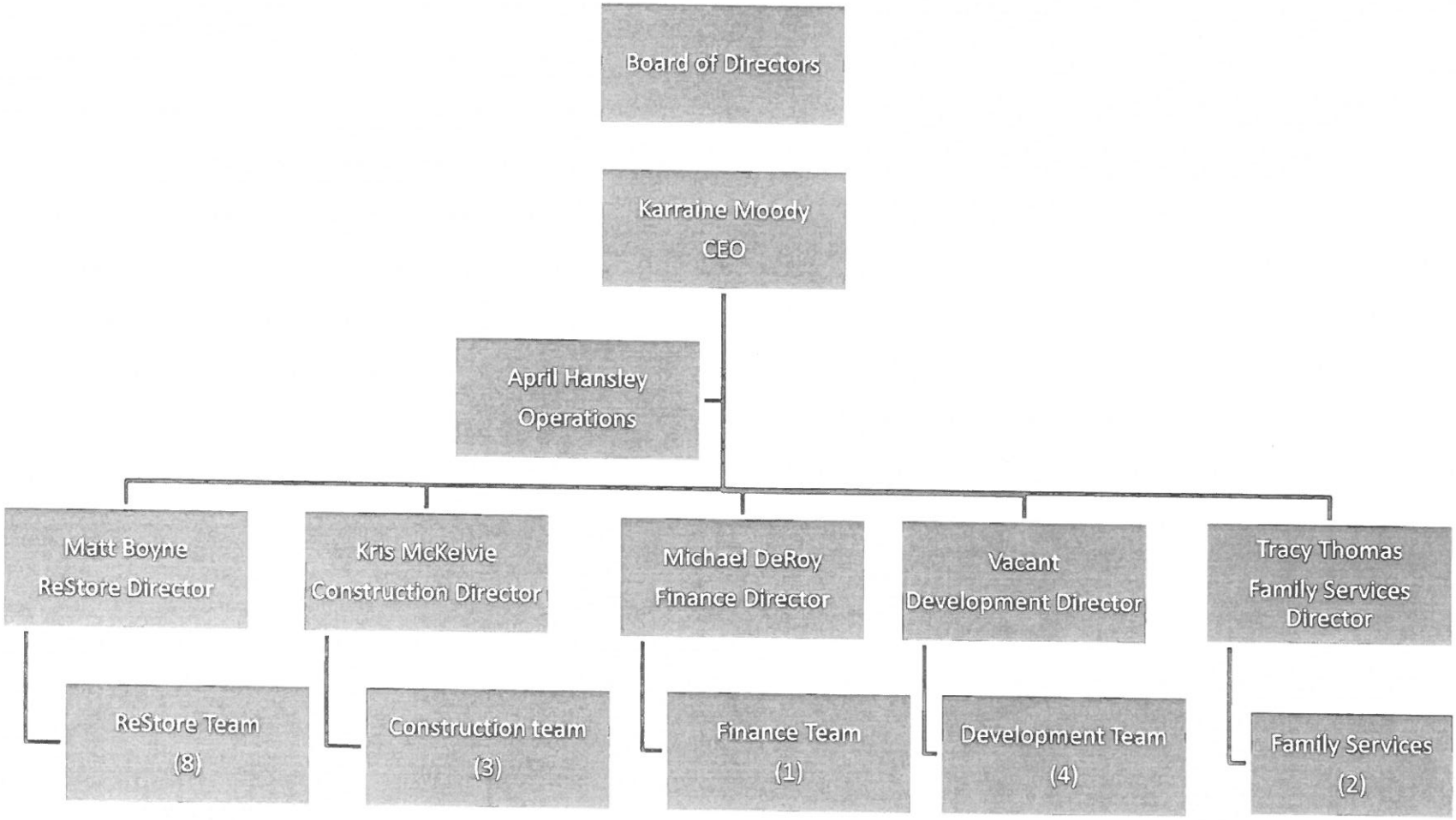
Findings and Risks	Recommendations	Management Response
• Lack of uniform understanding of expected roles and responsibilities between HAHFH and the third party service providers • Potential fines, penalties, and/or legal action against the Affiliate for noncompliance with RESPA laws and regulations • Inability to hold third party service providers accountable for undisclosed roles and responsibilities		
Mortgage Administration – Weaknesses in mortgage administration processes-item 12		
Review of HAHFH's mortgage administration processes revealed the following weaknesses: • There was a lack of formally documented mortgage receivables reconciliations. While the Director of Finance performed reconciliations between the mortgage receivable general ledger ("G/L") balances and the third party servicer reports, this tie out was not fully documented. In addition, there was no supervisory review and approval. • While the Finance dashboard presented to the Board included the balance of mortgage payments received for the period, HAHFH did not provide the Board with *"the performance of the Affiliate's mortgage loan portfolio using the delinquency definitions in the Affiliate Statistical Report, comparing the number of delinquencies and amount of arrearages with prior periods, at least quarterly"*, as required by HFHI, and detailed in the Quality Assurance Checklist ("QAC"). **Potential Risks:** • Inaccurate financial statements	The Director of Finance should: • Ensure that that documented reconciliations of the mortgage receivables balance are maintained; • Implement a process for the reconciliations to be independently reviewed and approved; and • Include HAHFH's mortgage loan portfolio delinquency performance statistics in the Board packet materials at least on a quarterly basis.	**Action:** Affiliate is in the midst of transitioning mortgages to new servicer-C4C. Also have 6 mortgages in foreclosure as well as those sold in fiscal 19 and 20 to CHFA. Finance will be sure to reconcile and having balanced report per the QAC. **Position Responsible:** DOF **When:** September 2020

Findings and Risks	Recommendations	Management Response
• Noncompliance with HFHI policies and procedures		
1. Governance – Nonperformance of an annual risk assessment-item 15		
The HAHFH Board and management had not developed a formal risk assessment process to identify high risks to which the organization could be exposed (e.g. managing growth, lack of sustainability, mission drift, etc.) as well as emerging issues and mitigating controls. Incorporating a risk assessment in the annual strategic and business planning processes would help to provide reasonable assurance that scarce resources will be utilized efficiently and effectively and that issues that pose the highest risks to the organization receive appropriate attention. **Potential Risks:** • Waste and inadequate use of HAHFH resources • Excessive focus on low-priority projects • Commitment to unrealistic goals	The HAHFH Board and management should incorporate an annual risk assessment exercise into the annual planning process. The combined strategic planning and risk assessment exercise should entail the following: • Identifying a strategic plan and individual business unit goals that support it. • Identifying up to ten top risks associated with each business and, for each risk, identifying mitigating activities and controls in place. In addition, management should determine the strategies to manage the risks, which should include if the risk is avoided, reduced, shared, and/or accepted. The Affiliate may wish to request HFHI to assist them with Board training and development during their coming Board meeting in March 2020.	**Action:** Affiliate/board will review and conduct an assessment. **Position Responsible: Board/CEO** **When: December 2020**

Internal Control Activities – Lack of a Delegation of Authority Policy

The audit disclosed that HAHFH did not have a formal delegation of authority policy or matrix identifying the dollar threshold levels designated to specified positions along with the type of expenses and the maximum amount of commitment and payments for budgeted and unbudgeted items. **Potential Risks:** • Financial loss and fraud • Inability to detect unauthorized, fictitious and/or duplicate payments in a timely manner • Inability to efficiently monitor the authorization of commitments and payments on behalf of the organization	The CEO should implement a delegation of authority policy that identifies all the dollar threshold levels for authority designated to specified positions and establish the types and maximum amount of commitments and payments that may be approved by those specified positions.	**Action:** Affiliate has a previous threshold document that was implemented in 2014. It will be updated to reflect the affiliate's new programs and methods of family service in the past five years. **Position Responsible: CEO** **When: July 2020**
Governance – No succession plan for key management positions-item 19		

OPERATIONS UPDATE


Board of Directors
Karraine Moody
CEO
April Hansley
Operations
Matt Boyne
ReStore Director
Kris McKelvie
Construction Director
Michael DeRoy
Finance Director
Vacant
Development Director
Tracy Thomas
Family Services Director
ReStore Team
(8)
Construction team
(3)
Finance Team
(1)
Development Team
(4)
Family Services
(2)

Hartford Area Habitat Named One of 2020 Best Places to Work in Connecticut

Hartford Area Habitat for Humanity was recently named as one of the Best Places to Work in Connecticut for the fifth year. This annual program was created by the *Hartford Business Journal* and Best Companies Group to identify, recognize, and honor the best employers in Connecticut, benefiting the state's economy, workforce, and businesses.

The list is made up of 41 companies split into two categories: 27 small/medium-sized companies (15-199 US employees) and 14 large-sized companies (200 or more US employees). Hartford Area Habitat has been named one of this year's Best Places to Work in Connecticut in the small/medium category.

To be considered for participation, companies had to fulfill the following eligibility requirements:
- Be a for-profit, not-for-profit business or government entity;
- Be a publicly or privately held business;
- Have a facility in Connecticut;
- Have at least 15 employees in Connecticut;
- Be in business a minimum of 1 year.

Companies from across the state entered the two-part survey process to determine the Best Places to Work in Connecticut. The first part consisted of evaluating each company's workplace policies, practices, philosophy, systems, and demographics. The second part consisted of an employee survey to measure the employee experience. The combined scores determined the top companies and the final ranking. Best Companies Group managed the overall registration and survey process in Connecticut, analyzed the data, and determined the final rankings.

Hartford Area Habitat strives to treat all employees, volunteers, and homeowners as family. From the small group of staff members to the thousands of volunteers that work on site, everyone is involved. The homeowners, who participate in building their homes and other Habitat homes, are also involved in the mission. Whether they are putting in more hours than expected, supporting new homeowners, advocating for Habitat at town meetings, or becoming board members.

The true heart of Hartford Habitat is the mission of bringing affordable housing to the Hartford Area by partnering with amazing volunteers and families. Each member of the staff works toward that mission every day, making sure that each volunteer they work with knows the good that they are doing. One volunteer remarks, "The whole team on this site were very welcoming and PASSIONATE about doing this job."

The ranked companies will be recognized at a special awards ceremony on February 27, 2020 and the actual rankings will be published on March 9, 2020 in the *Hartford Business Journal*.

For more information on the Best Places to Work in Connecticut program, visit www.BestPlacestoWorkinCT.com.

Employee Demographic Report 2020

Prepared for: Hartford Area Habitat for Humanity

HBJ

BEST PLACES TO WORK IN CONNECTICUT AWARDS

Best Companies Group

	OVERALL	2019	LENGTH OF SERVICE					GENERATION						GENDER				ETHNIC BACKGROUND						STATUS		JOB ROLE						DEPARTMENT											
	Agree	Disagree	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Female	Male	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Full-Time	Part-Time	Administrative / Clerical	Executive / Partner	Manager or Supervisor	Production / Service	Professional	Other	Customer Service / Care / Support	Development / Fundraising	Finance / Accounting	Human Resources	Information Technology	Legal	Marketing / Advertising	Maintenance / Operations	Production	Research & Development	Sales / Retail / Business Development	Other
LEADERSHIP AND																																											
I understand the long-term																																											
I have confidence in the lea																																											
The leaders of the organiz																																											
Senior leaders live the core	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
There is adequate planning	100	0	95	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
There is adequate follow-th	95	0	86	x	x	100	86	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
The leaders of the organiza																																											
CORPORATE CUL RE AND COMMUN ATIO																																											
This organization's corporate communications are frequent enough																																											
This organization's corporate communications are detailed enough																																											
I have a good understanding of how this organization is doing financially	89	0	90	x	x	100	86	x	0	86	x	x	0	0	86	100	100	0	100	x	0	0	0	88	x	x	x	88	x	x	83	x	x	0	0	0	0	x	x	x	0	x	67
I can trust what this organization tells me	89	0	85	x	x	100	86	x	0	88	x	x	0	0	58	100	100	0	100	x	0	0	0	88	x	x	x	88	x	x	83	x	x	0	0	0	0	x	x	x	0	x	67
This organization treats me like a person, not a number	75	5	90	x	x	100	57	x	0	67	x	x	0	0	67	86	100	0	63	x	0	0	0	82	x	x	x	75	x	x	57	x	x	0	0	0	0	x	x	x	0	x	67
This organization gives me enough recognition for work that is well done	100	0	90	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	67
Staffing levels are adequate to provide quality products/services	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Quality is a top priority with this organization	86	0	90	x	x	100	71	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	89	x	x	x	89	x	x	71	x	x	0	0	0	0	x	x	x	0	x	100
Safety is a top priority with this organization	86	5	76	x	x	100	71	x	0	89	x	x	0	0	89	86	100	0	75	x	0	0	0	89	x	x	x	89	x	x	71	x	x	0	0	0	0	x	x	x	0	x	67
I believe there is a spirit of cooperation within this organization	100	0	90	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	83
My employer enables a culture of diversity	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I like the people I work with at this organization	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
At this organization, employees have fun at work	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I feel c s my honest opinions without fear of negative c ces	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Change that m affect me are communicated to the prior to implementation	100	0	95	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
ROLE SATISFA N	95	5	90	x	x	100	86	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I like the ype of work I do	100	0	100	x	x	100	100	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I am giv h auth make ons I need to make	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I believe my job is secure	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Deadlines at this organization are realistic	86	5	90	x	x	83	86	x	0	100	x	x	0	0	100	86	100	0	88	x	0	0	0	83	x	x	x	78	x	x	86	x	x	0	0	0	0	x	x	x	0	x	100
I feel I am valued in this organization	100	0	90	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	83
I feel part of a team working toward a shared goal	95	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	94	x	x	x	100	x	x	86	x	x	0	0	0	0	x	x	x	0	x	100
I am able to maintain a reasonable balance between work and my personal life	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	83
My job makes good use of my skills and abilities	95	0	90	x	x	100	86	x	0	89	x	x	0	0	100	100	100	0	100	x	0	0	0	94	x	x	x	100	x	x	86	x	x	0	0	0	0	x	x	x	0	x	83
I have a clear understanding of my job role	100	0	95	x	x	100	100	x	0	100	x	x	0	0	100	86	100	0	88	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I understand the importance of my role to the success of the organization	100	0	90	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	86	x	x	0	0	0	0	x	x	x	0	x	100
Most days, I feel I have made progress at work	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Role Satisfaction - AVERAGE	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
WORK ENVIRONMENT	98	0	93	x	x	99	97	x	0	99	x	x	0	0	100	97	100	0	99	x	0	0	0	97	x	x	x	99	x	x	98	x	x	0	0	0	0	x	x	x	0	x	97
My physical working conditions are good																																											
My general work area is adequately heated/cooled	95	5	100	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
There is adequate noise control to allow me to focus on my work	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
My workspace has adequate privacy for me to do my job	95	5	81	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	88	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I feel physically safe in my work environment	90	5	90	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	94	x	x	x	88	x	x	86	x	x	0	0	0	0	x	x	x	0	x	83
Work Environment - AVERAGE	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
RELATIONSHIP WITH SUPERVISOR	99	3	94	x	x	100	91	x	0	100	x	x	0	0	93	100	100	0	93	x	0	0	0	99	x	x	x	93	x	x	97	x	x	0	0	0	0	x	x	x	0	x	97
My supervisor treats me fairly																																											
My supervisor treats me with respect	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
My supervisor handles my work-related issues satisfactorily	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
My supervisor handles my personal issues satisfactorily	95	0	95	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
My supervisor acknowledges when I do my work well	100	0	95	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
My supervisor tells me when my work needs improvement	95	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	94	x	x	x	86	x	x	86	x	x	0	0	0	0	x	x	x	0	x	100
My supervisor is open to hearing my opinion or feedback	90	0	95	x	x	100	86	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	94	x	x	x	89	x	x	86	x	x	0	0	0	0	x	x	x	0	x	83
My supervisor helps me develop to my fullest potential	100	0	95	x	x	100	100	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	83
I feel I can trust what my supervisor tells me	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Relationship with Supervisor - AVERAGE	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
	99	0	98	x	x	100	97	x	0	100	x	x	0	0	99	100	100	0	97	x	0	0	0	99	x	x	x	99	x	x	97	x	x	0	0	0	0	x	x	x	0	x	98

Numbers shown represent the percentage of respondents that answered "Agree Somewhat" or "Agree Strongly" (with exception of "% Disagreement" Column)

x - For confidentiality reasons, demographic categories with less than 5 responses are not included

* Denotes no data available in 2019

A project of Hartford Business Journal and Best Companies Group

Employee Demographic Report 2020

Prepared for: Hartford Area Habitat for Humanity

BEST PLACES TO WORK

	OVERALL		2019	LENGTH OF SERVICE					GENERATION					GENDER		ETHNIC BACKGROUND						STATUS		JOB ROLE						DEPARTMENT										
	Agreement	Disagreement	Agreement	Less than one year	One year to less than two years	Two years to less than five years	Five years to less than ten years	Ten years or more	Traditionals Generation (born 1922 to 1937)	Baby Boomers Generation (born 1938 to 1960)	Generation X (born 1961 to 1980)	Generation Y (born 1981 to 1995)	Generation Z (born 1996 to 2012)	Female	Male	Black or African American	Hispanic or Latino	Asian	White	Two or More Races	Other	Full-Time	Part-Time	Administrative / Clerical	Executive / Partner	Manager or Supervisor	Production / Service	Professional	Other	Customer Service / Care / Support	Development / Fundraising	Finance / Accounting	Human Resources	Information Technology	Legal	Marketing / Advertising	Operations / Operations	Production	Research & Development	Sales / Retail / Business Development	Other
TRAINING, DEVELOPMENT AND RESOURCES																																								
This organization provided as much initial training as I needed	86	0	90	x	x	100	71	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	89	x	x	x	89	x	x	71	x	x	0	0	0	0	x	x	x	0	x	67
This organization provides as much ongoing training as I need	90	0	95	x	x	100	71	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	94	x	x	x	89	x	x	86	x	x	0	0	0	0	x	x	x	0	x	83
This organization provides the technology, equipment and resources I need to do my job well	90	0	78	x	x	100	71	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	94	x	x	x	89	x	x	86	x	x	0	0	0	0	x	x	x	0	x	83
The computer or other hardware I use to do my job is dependable	95	0	81	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
The software and program applications I use to do my job are adequate	95	0	86	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Technology issues are resolved in a timely manner	95	5	81	x	x	100	86	x	0	100	x	x	0	0	86	100	100	0	83	x	0	0	0	100	x	x	x	88	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Technology issues affecting my work are communicated to me in a timely manner	100	0	80	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I understand what is expected for career advancement	83	0	85	x	x	75	83	x	0	89	x	x	0	0	88	83	100	0	67	x	0	0	0	88	x	x	x	71	x	x	86	x	x	0	0	0	0	x	x	x	0	x	100
I am encouraged to explore growth or advancement opportunities within the organization	84	0	90	x	x	80	86	x	0	100	x	x	0	0	100	86	100	0	86	x	0	0	0	82	x	x	x	78	x	x	83	x	x	0	0	0	0	x	x	x	0	x	100
There is room for me to advance at this organization	75	5	78	x	x	75	67	x	0	100	x	x	0	0	86	83	100	0	67	x	0	0	0	79	x	x	x	63	x	x	80	x	x	0	0	0	0	x	x	x	0	x	83
I trust that if I do good work, I will be considered for a promotion	75	0	78	x	x	75	80	x	0	88	x	x	0	0	86	83	100	0	60	x	0	0	0	73	x	x	x	57	x	x	80	x	x	0	0	0	0	x	x	x	0	x	75
Training, Development and Resources - AVERAGE	88	1	84	x	x	91	81	x	0	98	x	x	0	0	89	84	100	0	84	x	0	0	0	84	x	x	x	82	x	x	86	x	x	0	0	0	0	x	x	x	0	x	87
PAY AND BENEFITS																																								
My pay is fair for the work I perform	81	10	71	x	x	83	71	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	83	x	x	x	78	x	x	71	x	x	0	0	0	0	x	x	x	0	x	67
Overall, I'm satisfied with this organization's benefits package	100	0	85	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the amount of vacation (or Paid Time Off)	100	0	95	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the sick leave policy	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the amount of healthcare paid for	94	0	100	x	x	100	100	x	0	88	x	x	0	0	86	100	80	0	100	x	0	0	0	94	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the dental benefits	88	0	100	x	x	80	100	x	0	88	x	x	0	0	86	86	80	0	83	x	0	0	0	88	x	x	x	88	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the vision care benefits	94	0	100	x	x	100	100	x	0	88	x	x	0	0	86	100	80	0	100	x	0	0	0	94	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the retirement plan benefits	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the life insurance benefits	88	0	100	x	x	100	83	x	0	88	x	x	0	0	75	100	80	0	83	x	0	0	0	93	x	x	x	88	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the disability benefits	89	0	100	x	x	100	86	x	0	88	x	x	0	0	75	100	80	0	86	x	0	0	0	94	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I'm satisfied with the tuition reimbursement benefits	75	0	71	x	x	100	100	x	0	60	x	x	0	0	67	75	50	0	67	x	0	0	0	71	x	x	x	75	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Pay and Benefits - AVERAGE	92	1	84	x	x	97	96	x	0	81	x	x	0	0	80	88	88	0	92	x	0	0	0	92	x	x	x	92	x	x	97	x	x	0	0	0	0	x	x	x	0	x	97
OVERALL ENGAGEMENT																																								
Overall, I am very satisfied with my employer	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Most days, I look forward to going to work	100	0	95	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
My job provides me with a sense of meaning and purpose	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I am proud to work for this organization	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I feel this organization has created an environment where I can do my best work	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I am willing to give extra effort to help this organization succeed	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I plan to continue my career with this organization for at least two more years	95	0	100	x	x	83	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I would recommend this organization's products/services to a friend	100	0	100	x	x	100	100	x	0	100	x	x	0	0	100	100	100	0	100	x	0	0	0	94	x	x	x	89	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
I would recommend working here to a friend	95	0	100	x	x	100	86	x	0	100	x	x	0	0	89	100	100	0	88	x	0	0	0	100	x	x	x	100	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
Overall Engagement - AVERAGE	99	0	99	x	x	98	98	x	0	100	x	x	0	0	99	100	100	0	99	x	0	0	0	99	x	x	x	99	x	x	100	x	x	0	0	0	0	x	x	x	0	x	100
SURVEY AVERAGE	96	1	94	x	x	98	93	x	0	98	x	x	0	0	95	98	98	0	94	x	0	0	0	96	x	x	x	94	x	x	95	x	x	0	0	0	0	x	x	x	0	x	95

Numbers shown represent the percentage of respondents that answered "Agree Somewhat" or "Agree Strongly" (with exception of "% Disagreement" Column)

x - For confidentiality reasons, demographic categories with less than 5 responses are not included

* Denotes no data available in 2019

A project of Hartford Business Journal and Best Companies Group

Performance Feedback

Navigating this form: Use the tab key to move from one shaded area to another or click on shaded area to enter information (if additional space is needed attach a 2nd page.)

Employee Name	KARRAINE V. MOODY			**Position**	EXECUTIVE DIRECTOR
Start Date	07/01/2018	**End Date**	06/30/2019	**Supervisor**	Board of Directors

OBJECTIVES SECTION (Three Objectives are the minimum; ten are the maximum.)

Rating Definitions For Objective Results – ***Above Target:*** Results exceeded agreed upon requirements; ***Target:*** Results met agreed upon requirements; ***Progressing:*** Results not fully met, but employee is developing/improving at an agreed upon rate and performance is improving; ***Below Target:*** Results were below agreed upon requirements; ***Objective Not Applicable:*** Objective No Longer Applies

Operational Objectives

Objective 1:

Complete 2 year building schedule with specific initiatives towards expanding Hartford Habitat's footprint in the area served; re-establish Board Land Acquisition Committee to ensure at least 2-year rolling inventory of building sites.

Rater	Comments	Rating
Self	**We will close 9 properties in this Fiscal Year 6/30/19** • New Construction (3) • Rehabs and Recycles (5) **Current builds for 2019-2020 (buildable lots)** • Main Street-Hartford 6 new construction October 2019 • East Hartford-woodbridge- Dec 2019 • Bristol and Bloomfield (3 tentative start in spring 2020) • Beach Drive-Rehab-December 2019 • Vineland Terrace –Rehab- June 2020 • Recycles- Cleveland and Great Hill Road (2)-- June 2020 **2020-2022 New Development Plans including new construction & rehabs** • Bloomfield/ Windsor/East Hartford • Hartford Rehabs through Land Bank **Comment:** Build schedule was delayed by three months in Hartford on the North Main Street project.	Above Target
Supervisor		

Objective 2 :
Neighborhood Revitalization and components-

Rater	Comments	Rating
Self	Our ABWK program focuses on aging in place. Focusing on households that are over the age of 55, veterans and those with limited mobility. Will continue to maintain April and October schedule. September 2018 completed Main Street clean-up project. Partnered with the City of Hartford for critical repair with ReStore. Financial Freedom Center has been awarded $35,000 in grants in calendar year 2019. Continue to partner with corporate partners, volunteers and other community based organizations to support the center. 2019-2020 will be a breakout year for this area as we hire staff to lead ABWK and critical repairs in the construction department.	Above Target
Supervisor		

Objective 3:
Execute ReStore business plan-

Rater	Comments	Rating
Self	ReStore continues to thrive. This upcoming fiscal year we are focusing on streamlining and becoming more efficient in operations so that we can ramp up for a new store or growth in the next three years. Plans to hire full time manager in January 2020.	Target
Supervisor		

Objective 4:

Establish budget and meet budget targets- Meet with Directors and establish departmental financial goals for 2016 fiscal year; Present to Board of Directors

Rater	Comments	Rating
Self	Budget to actuals are being provided to departments quarterly. This is our 5th year of receiving 4 stars from Charity Navigator 2014-2019. Continues to maintain healthy level of cash for operations and maintain build schedule with the support of department heads.	Above Target
Supervisor		

Staff Leadership

Objective 5:

1. **Establish clear, specific, measureable goals for all staff**- Implement new HR Resources and best practices, including updated Employee Handbook, legal/fair HR protocol, and individual performance evaluations .
2. **Create collaborative, team oriented atmosphere with Staff.** Conduct team building exercises.

Rater	Comments	Rating
Self	Consistent quarterly gatherings to ensure that staff morale remain high, training and open communication across departments. Honored for the 4th year as a Best Place to Work. Ranked number 5 out of 29 small businesses.	Above Target
Supervisor		

Fundraising

Objective 6:

1. **Fundraising Objective -**

Rater	Comments	Rating
Self	All development drivers are on budget except for grants. We were not awarded HOME funds as budgeted. However this aligns with the forecast predicted for 2-3 years that public funding will end. Continue to develop new approaches to maintain and recruit new donors.	Above Target
Supervisor		

Habitat Ambassador

Objective 7:

Broaden Hartford Habitat's Visibility in the Public- Attending engagements on Habitat's behalf; Public speaking events; Represent affiliate with Habitat International; Advocating for governmental support; Participating in community-based initiatives; Aggressively seeking out potential donors.

Rater	Comments	Rating
Self	We continue to get paid and earned media coverage. Overall Hartford Area Habitat has a renewed reputation and donors are being cultivated. Serving on Hartford Land bank-Board of Directors, Betty Knox Foundation-Board of Directors, and Board of Governors for Town and County Club Feature article in Hartford Magazine. Serve on the HFHI Policy committee. 30th Anniversary Launch Party-successful event that showcased the mission and our families. Over 300 people in attendance Eversource Press conference and revealing of zero energy home.	Above Target
Supervisor		