

**Loudoun Habitat for Humanity
Board of Directors Meeting Minutes**

January 24, 2019

Loudoun Habitat office in Leesburg
700 Fieldstone Dr., Leesburg, VA 20176

- Opening Prayer
- Approval of the Minutes
- Gala Update
- ED Report
- Committee Reports
- Homeowner Services Presentation
- Virginia Habitat Capital Campaign
- Board Restructure
- Announcements, Upcoming, Kudos, Adjournment

The Loudoun Habitat for Humanity Board of Directors met at the office, located at 700 Fieldstone Drive, Leesburg, VA 20176. Quorum was established, and the meeting was called to order at 6:05 p.m. by Allison Metzger.

Members Present (13)

Allison Metzger, Michael Scott, Jim Russell, Gayle Bailey, James Miller, Ruth McElroy, Mick Beckstrom, Jen Mahoney, Barnabas Schwanke, Sally Crosen, Julie Hoffmann

Members Absent (4)

Julie Short, Rick Hill, Jim Wehr, Chris Cicotello, Josh Kane, John Maxwell

Staff Present

Therese Cashen, Kari Murphy

Opening Prayer was led by Barnabas Schwanke

Review/Approval of Minutes

Jim Miller motioned to approve the minutes from the November 2018 meeting with Gayle Bailey seconded. The minutes were approved by the board 11/0.

Gala Update

We have 400 people verbally approved. 500 person goal. We can double that number based on the size of the venue. Julie Hoffmann and Allison Metzger get lifesaver awards for participation in gala. \$98,000 in sponsorships so far. Feb 15 is the cutoff for sponsorship. VIP experience this year with earlier arrival time for more targeted networking.

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Advocacy 5- Jim Russell

Microsoft is putting up \$500 million dollars for affordable housing in the Seattle area. Mark Zuckerberg with Facebook put \$500 million towards affordable housing in the Bay area in CA. Tech companies have cash reserves because lack of investment opportunities. Something to think about as these companies move into the area.

E.D. Report- Therese Cashen

Meadows and Hamilton 2 dedicated in NOV and DEC. Loans being packaged to go next month. 1 of the 6 future homeowners has already selected the RiverBank home as their future home. A second family has been selected for St. Charles Square home in Sterling.

Youth program has taken off for home repair and Restore help. Middle/high school groups as well as church groups.

Microsoft has offered to be our head sponsor (\$50,000)

Four Learning Center workshops scheduled and the public library has approached us about partnering with them to offer workshops as part of the library' program. 14 total workshops scheduled with at least 6 to be offered through the LCPL.

Committee Reports

Homeowner Services Committee with Jen Mahoney: the committee is in need of more volunteers. The existing members have reached out to colleagues to see if anyone is interested. The two families that were placed in homes in Nov. and Dec. have finished sweat equity. Currently helping two handicap individuals receive needed ramps/lifts in place to increase mobility.

Advocacy Committee with Jim Russell: Allison has proposed investing in a project to transition ADU units as they reach their 15 year mark. Due to the cost of land, new builds are more and more challenging so we have a better chance of making a sizeable impact remodeling existing ADU homes 658 ADU units will be hitting their 15-year mark within the next 2 years. This will prompt many to sell their house and move up.

Finance Committee: No report

Resource Development Committee with Jim Russell (John Maxwell was absent) Gala is the first step in developing partnerships for team builds, donations, etc. Following up with guests after the Gala is key to growing the donor base.

Faith Relations Committee: No report

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Virginia Habitat Capital Campaign

The Compass Group, working with HFHVA will be interviewing different affiliates, and each will have their own campaign localized in each location. This will help our affiliate tap into individual donor pool (industry stats say 80% of donations come from.) Donations will be tracked with a pledge card which we will then give 10% to HFHVA. Gala donations and other existing donations will not be included. We can drop out of the program at any time if we don't like the way its going. One of the hurdles for LHFH is staff capacity due to monthly tracking/reporting. We are considering hiring someone to help Kari with Capital Campaign tasks. The Compass Group will help us strategize to target more affluent individuals in Loudoun. Compass will be training and providing oversight during the campaign. The first phase of the campaign involves using wealth engine reports to identify leads. The board can provide names for the wealth engine search. Search engine (wealth engine) to come this spring and then the fall will be a soft opening to the capital campaign. Ruth made a motion for Loudoun Habitat to participation in the campaign. Jen Mahoney seconded. All in favor (11-0)

Amendment to Bylaws - see supporting documentation for more details

Due to the nepotism clause in LHFH By-Laws, the board discussed how to address this clause as it related to the new hire for our new construction manager. The EC suggests dropping/editing the nepotism clause to move forward with the hire of Dave Metzger which allows Allison Metzger to continue on the board as president.

The current bylaws contain the following language:

Current bylaw ARTICLE III, Section 3.8 Nepotism

Nepotism is prohibited. Members of the immediate family of staff and/or LHFH Directors will be ineligible for service on the Board of Directors or for employment with Loudoun Habitat. Immediate family members can include but are not limited to husband, wife, father, mother, son, daughter, and extended family such as grandparents, nieces, nephews, in-laws, step-family, and persons living in the household as the same.

Julie Hoffmann motioned to remove Article III, Section 3.8 Nepotism from the current LHFH by-laws. Jim Russell seconded. Unanimous vote 11-0.

Jim Miller makes a motioned to adjourn. Jim Russell seconds. The meeting adjourned at 8:00 p.m.

Respectfully Submitted

Signature: Michael Scott, Board Secretary

Date

For discussion and vote at the Thursday, January 24, 2019 Board meeting
Supporting Documentation

Current Situation:

For the past two years, LHFH has been in search of a construction manager to fill the position of the current construction manager who was planning retirement in fall of 2018. This turned out to be a challenge in Loudoun County as qualified candidates, demanding a salary range well above what LHFH could pay, are in very short supply. The ideal candidate needed 10-plus years of experience in construction project management, house building/renovation experience and a background in managing unskilled volunteers on a job site.

The ideal candidate has been found, however, he is the husband of board president Allison Metzger. Dave has over 30-years of experience in new and renovation construction with the US Army. He also has experience in volunteer management through his work with the Army. Dave recently retired and would like to bring this experience and expertise to the Construction Manager position with Habitat. He is willing to take this position at a below market rate.

The one requirement that Dave needs to secure is a Contractor License Level B (at minimum). He is currently preparing for the course and test.

To hire Dave, Habitat will need to amend its bylaw Article III, Section 3.8 Nepotism.

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As a board, there are two choices:

1. **Remove** the Nepotism statement from the bylaws allowing the hiring of Dave Metzger as the Construction Manager. Engage in a board review of the LHFH HR Policy Manual to include a revised Nepotism (renamed Conflict of Interest) statement in the policy. (See the attached template for suggested policy language.)
2. **Leave** the Nepotism statement in the bylaws. Allison Metzger steps down as board president and resigns from the board.

(#1 is the recommended course of action)

Nepotism policy template

This is being presented so the Board will have an idea of how the new policy will read. Please review and email tcashen@loudounhabitat.org with suggested changes to the policy. There will be a legal review of this policy and a revised statement will be voted on at the February 21, 2019 Board of Directors meeting. After approval, this policy statement on Nepotism will be included in Loudoun Habitat for Humanity's Human Resource Policy Manual

Nepotism

Nepotism is favoritism granted in employment to relatives, regardless of merit. For the purpose of this policy, relative, family or household member includes the following: spouse, father, mother, son, daughter, and extended family such as grandparents, nieces, nephews, in-laws, step-family, and persons living in the household as the same. The term also includes domestic partners and relatives of the domestic partner.

1.0 Permissions

- 1.1 All employment decisions including selection, hiring and compensation of the employee will be made by the Executive Director.
- 1.2 Relatives and members of the same household of a current employee and/or Board of Director are eligible for employment, provided that the individual meets the appropriate qualifications for the position to be filled and provided that employment is governed by the HR policy procedures.
- 1.3 Existing employees and/or Board of Directors involved in circumstances described within this policy have an obligation to advise the Executive Director of any conflict.

2.0 Prohibitions

- 2.1 A direct supervisory position cannot exist between an employee and a member of his or her immediate family.
- 2.2 Related employees may have no influence over the wages, hours, benefits, career progress and other terms and conditions of the other related staff members.
- 2.3 The working relationship shall not create an environment that adversely impacts work productivity or performance of the organization.
- 2.4 Relatives and members of the same household of current Board of Directors are not eligible for service on the Board.