

## **Building On Success Program – Initial Organizational Assessment**

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### **Introduction**

The goals in this capacity building plan were developed by a subcommittee of the Hartford 2000 (H2K) board of directors and the executive director with assistance from the Building on Success (BOS) consultant. The results of an organizational assessment conducted by the BOS consultant are summarized in this document and were used to inform the work of the H2K board subcommittee in the development of capacity building goals at a meeting held on November 10, 2016.

Key areas for focus for capacity building during H2K’s participation in the Building on Success program were identified as follows:

- Strengthening organizational planning
- Enhancing organizational governance
- Securing funding
- Increasing financial accountability

This capacity plan establishes goals, action steps, accountabilities and timelines in these four areas. The success of these capacity building efforts will require board and staff commitment to the implementation of this plan and ongoing monitoring of progress.

### **Organizational Planning**

It is evident that organizational planning is critically important to H2K board members and the executive director. H2K had a five-year sustainability plan developed in 2009 by a consultant as well as an organizational assessment conducted in July 2015. Both of these documents contain recommendations and strategies that may be used to frame the work of H2K in its current efforts to enhance organizational capacity and develop a strategic plan at the BOS strategic planning cohort learning sessions in the fall of 2017.

Building consensus around organizational mission and meaning would be a first step in strengthening organizational planning capacity. Both the 2015 organizational assessment as well as this assessment, have found that while there is consensus on the current mission of H2K, “to strengthen the individual and collective capacity of the NRZs and to serve as an advocate for

neighborhood issues”, there is not a shared understanding of the mission or board consensus on whether current programming supports the mission. A shared understanding of mission would inform H2K’s future programmatic work as well as resource development efforts.

In addition, H2K does not appear to set annual goals for the executive director, board and board committees. Annual goals that are articulated, documented, and agreed upon would provide a blueprint for the work of both the executive director and the board ensuring that board and staff are working together to achieve specific objectives and outcomes on an annual basis.

**Goal: To strengthen organizational planning.**

<b>Action Step</b>	<b>Accountability</b>	<b>Timeline</b>	<b>Status as of:</b>
Develop, implement, and monitor annual goals in written work plan format for executive director	Executive Director, Board Co-Chairs	1/30/2017	
Develop, implement and monitor annual work plan for each board committee	Committee Chairs	3/30/2017	
Survey NRZ’s to inform mission review	Executive Director	4/30/2017	
Review and reaffirm mission and vision in preparation for BOS strategic planning session	Board, Executive Director	7/31/2017	
Develop strategic plan at BOS strategic planning sessions	H2K BOS Team	9/12/2017 and 10/17/2017	

**Organizational Structure**

The 2015 organizational assessment gives a comprehensive overview of the governance structure of H2K. Changes in governance structure since that time include:

- A June 2016 revision to the bylaws that amends the maximum number of directors to thirty five to account for the addition of a new NRZ, Southwest/Behind the Rocks.
- The amended bylaws in Article IV, Section IV address a transaction of business without a meeting by allowing board members to consent in writing or email to the action before or after the action is taken. The wording of Section IV may not conform to Connecticut regulations that require unanimous written consent for action taken without a meeting.
- There appears to no longer be a functioning membership/nominating committee.

Since the 2015 organizational assessment, several issues have arisen that suggest that the board is not currently providing adequate oversight, accountability, and direction for the organization. These issues include<sup>1</sup>:

- Failure to file several employment related tax filings during FY2016. This issue has since been resolved.
- Failure to file the 2014 and 2015 990EZ to date. Resolution of this is currently in process.

The board was also informed in a memo from the Executive Director dated 9/15/2016, of the “insecure financial position” of H2K. This insecure position is the result of significant funding cuts from the City of Hartford. To date, it does not appear that the board has developed an action plan for addressing the revenue shortfall.

Many of the challenges identified in the 2015 organizational assessment persist, specifically, the lack of continuity in board meeting attendance. While the BOS application by H2K describes the board meetings as one of its greatest assets stating, “Our monthly meetings are much more than regular business. Each meeting consists of a NRZ Roundtable portion where Board members (who are NRZ representatives) share and collaborate by providing news and updates from their respective neighborhoods. We also regularly invite important guest presenters who discuss, and answer questions, about topical issues affecting our City.” The Executive Director and several board members do admit that this structure does not leave much time for governance.

The 2015 organizational assessment recommended reconsidering the current representative governance model. However, any reconsideration of a governance model should be tied to an agreed upon mission, funding and programmatic model. Due to a lack of consensus on these items, in the short-term the board can focus on developing effective policies and practices that will enable it to better fulfill its governance responsibilities. These efforts toward strengthening current board governance will also serve as a foundation for any future change in organizational governance structure that may be considered.

**Goal: Strengthen organizational governance structure.**

Action Step	Accountability	Timeline	Status as of:
Establish board governance committee	Board Co-Chairs	3/31/2017	
Review governance recommendation in the 2009 sustainability plan and identify actions to implement	Governance Committee	6/30/2017	
Develop a formal board recruitment and	Governance Committee	12/31/2017	

<sup>1</sup>It should be noted that these issues appear to have occurred during the time the former interim executive director was leaving H2K. The current Executive Director has been working to remedy the situation.

nominating process			
Develop formal process for board orientation and ongoing board training	Governance Committee	3/30/2018	
Explore pros and cons of implementing term limits for directors and officers and make recommendation to full board	Governance Committee	6/30/2018	
Develop a succession plan for board co-chairs	Governance Committee	8/31/2018	

**Leadership**

It is evident that the board strongly believes there is a role for H2K in improving the quality of life in the neighborhoods of Hartford. The passion and commitment is visible and well-articulated by the board co-chairs and other board members. However, organizational leadership is difficult when there is not clear consensus on mission and future direction.

**Fundraising**

For the past several years, support for H2K has come from the City of Hartford and a small amount of contributions from the board and community members. Exact funding streams and associated revenues are difficult to track from year to year. However revenue from the City of Hartford, H2K’s primary source of support, was \$59,250 in 2014. This decreased to \$45,000 in 2016 and is currently being projected at \$24,000 for 2017. The significant decrease in support from H2K’s core source of funding, the City of Hartford, leaves the organization in a vulnerable financial situation.

In 2009, H2K hired a consultant to develop a sustainability plan. This report recommended that H2K should partner with the City, neighborhood businesses, local foundations, and the NRZ governing boards to create an operating structure to sustain H2K. Some outreach led by one of the board co-chairs did occur and resulted in an increased financial commitment from the City, a new commitment from Metro Hartford Alliance and some small grants from local foundations. Changes in the external environment have seriously impacted H2K’s funding model. The organization now needs to regroup and identify a few potential funding sources to cultivate and solicit in the short-term and then explore a more sustainable and potentially diversified funding strategy for the future.

There are also internal environmental issues that are impacting H2K’s revenue development success. During this organizational assessment process, board members indicated that the development committee and the program committee’s work needs to be more closely aligned. The work of each committee impacts the other and there appears to be a lack of communication between the two committees as well as agreement on programmatic and funding related focus. A collaborative working relationship between the two committees will be vital to H2K’s ability to pursue and secure new funding sources in the short-term.

**Goal: Enhance the working relationship between the development and program committee.**

<b>Action Step</b>	<b>Accountability</b>	<b>Timeline</b>	<b>Status as of:</b>
Convene a meeting of the two committees to develop a process for decision making	Development and Program Committees Chairs	1/31/2017	
Identify 2 -3 agreed upon programmatic priorities for funding	Development and Program Committee	2/28/2017	
Brainstorm potential funding sources and assign accountability to individuals to research and report back on feasibility	Development and Program Committees/Executive Director	2/28/2017	
Hold quarterly joint committee meetings to continue to build consensus on programmatic focus for funding and create action steps for securing funding for agreed upon initiatives	Development and Program Committee Chairs	6/30/2017 and ongoing	
Minute monthly meetings of both committees and share with one another. Minutes should include a summary of the discussion; any decisions made; and action steps to be taken with a timeline and accountability assigned	Development and Program Committees Chairs	Ongoing	

**Goal: Develop short-term revenue development strategies.**

<b>Action Step</b>	<b>Accountability</b>	<b>Timeline</b>	<b>Status as of:</b>
Review and assess 2009 sustainability plan and recommendations and determine if there are relevant strategies to implement	Development Committee	1/ 31/2017	
Survey board members for their knowledge of potential funding sources/partners and their connections to “open doors” for H2K	Development Committee	1/31/2017	
Identify potential funding sources/partners to cultivate and solicit and attach a timeline for these activities and accountabilities	Development Committee/Executive Director	2/28/2017 and ongoing implementation	
Report monthly on progress at development committee and board meetings	Development Committee Chair/Executive Director	Ongoing	

**Finance and Accountability**

As previously noted, H2K’s financial situation is insecure due to funding cuts from the City of Hartford. H2K’s balance sheet as of 9/15/2016 indicates that cash assets are currently \$28,481 which gives the organization a small cushion. The board has been informed of the situation and for the past three months the board has consistently been receiving the following financial reports: an updated budget, balance sheet, redacted monthly bank statement and a summary from the Executive Director.

There have been issues with timely filings of employment related taxes and 990s as previously mentioned. The board and finance committee need to ensure that required filings meet deadlines. This should be accounted for in financial management policies and procedures. The policies and procedures should provide for mechanisms so that the Board confirms that the filings occurred.

H2K has several versions of financial management policies. The most recent are one adopted on August 19, 2010 and another that indicates it was proposed on July 11, 2012. There is no record of the 2012 policies being adopted by the board. The Executive Director makes deposits, and writes and signs all checks except those over \$500 which require two signatures. The Board Co-Chairs and the Treasurer are authorized signors. The Executive Director is also responsible for entering financial data into Quick Books and generating monthly financial reports for the board. This process does not provide for a clear segregation of duties. The Finance Committee should review and ensure that financial management policies include a mechanism for oversight and review.

H2K is not required by state law to have an audit and has never had a financial review. Financial management records reviewed for this organizational assessment for the past few years are inconsistent from year to year and some records are incomplete. Board meeting minutes indicate that there have been issues with data entry into Quick Books and that H2K intends to “start fresh in January 2017”.

H2K needs to work toward maintaining complete, accurate and consistent financial management records. Consistent financial data is needed for budgeting, resource development and organizational planning. Financial management policies and procedures should be reviewed to not only improve current practices but to provide guidance for H2K during times of organizational transition where there may not be staff to perform financial management functions.<sup>2</sup>

**Goal: Enhance financial management oversight and processes.**

<b>Action Step</b>	<b>Accountability</b>	<b>Timeline</b>	<b>Status as of:</b>
Develop and approve 2017 budget	Executive Director/Finance Committee	1/31/2017	
Identify financial reports to be provided to board on monthly basis and implement	Finance Committee	1/31/2017	
Review and approve proposed financial management policies dated 7/11/2012	Finance Committee/Board	1/31/2017	
File 2014 and 2015 990 EZ	ED/Finance Committee	2/28/2017	

<sup>2</sup> This review indicates that many of the current issue occurred during the transition from the Interim Executive Director to the current Executive Director.

Review chart of accounts and modify as necessary	Finance Committee	3/30/2017	
Ensure that 2016 990 EZ is filed by deadline	Executive Director/Finance Committee	5/15/2017	
Develop and implement a budget process that ensures that a budget is in place prior to start of new fiscal year	Finance Committee	11/30/2017	
Conduct a financial review	Finance Committee	6/30/2018	

**Communicaton**

Much of H2K’s work focuses on communication with various constituent groups. The monthly NRZ roundtable provides for information sharing between the neighborhoods as part of H2K’s board meeting. Special guest are also invited to these board meetings to share information pertinent to the neighborhoods and their residents. In addition to meetings and forums, H2K uses a variety of tools for communication including postings on the website, eblasts, emails, flyers and mailings.

Board members voiced that they want to be better recognized for the role they play in outreach to the NRZs as well as finding funding to pay for these services that H2K provides.

The initial organizational assessment meeting with the Board indicated that internally communication is a challenge. The following issues were identified:

- Board meeting reports and committee reports are not received in advance of the board meetings.
- There is a lack of communication between committees. (See Fundraising Section for a more detailed example.)
- There is no formal process for communicating back and forth with the NRZs.

**Evaluation**

There is no formal evaluation of program effectiveness. H2K indicated in the Point K online self-assessment survey that it is using surveys and questionnaires to gather data. In the future, when H2K is in a more stable situation, some thought as to how to assess the impact and outcomes of the organization’s work as well as communicate the impact to stakeholders and the community should be considered.

## **Conclusion**

This document sets forth goals and action steps to guide the capacity building work of Hartford 2000 over the next two years. Next steps for the board are to review and discuss the contents of this document, affirm the board's commitment to the goals and their willingness to implement this capacity building plan. The goals in this capacity building plan should be incorporated into board discussion at the monthly board meetings and used to guide the work of the board committees. Implementation of the actions steps should be monitored as part of committee meetings and at the board meetings on a quarterly basis.

## **Appendix A**

### Meeting Attendees - October 4, 2016

Bongi Magubane	Jackie McKinney	Denise Best
Jeremy Baver	Linda Bayer	Joyce Bosco
Joe Barber	Janice Castle	Mike McGarry
Allen Ambrose	Jamie McPike	Ron Martin
Martha Page	Louise Douglas	Riley Cassidy
Kevin Chick	Richard Frieder	Tysha Wiggins
Bernadine Silver	Jeff Stewart	Janice Fleming-Butler
Yvonne Matthews	Sally Gaston	

### Meeting Attendees – November 10, 2016

Joe Barber	Bernadine Silvers
Joyce Bosco	Linda Bayer
Marion Griffen	Richard Friedler
Bongin Magubane	Yvonne Matthews
Martha Page	Jackie McKinney
Allen Ambrose	Jeremy Baver

### Interviews and Informal Conversations

Jeremy Baver  
Joyce Bosco  
Bongi Magubane  
Jackie McKinney  
Martha Page