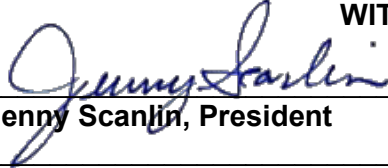


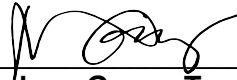
Report of the President

December 17, 2020

RESOLUTION APPROVING AND ADOPTING THE BUILD HOPE, INC. FISCAL YEAR 2021 OPERATING BUDGET AND AUTHORIZING THE PRESIDENT OR DESIGNEE TO EXECUTE ANY REQUIRED DOCUMENTS AND ADMINISTER BUILD HOPE, INC. IN ACCORDANCE WITH ADOPTED BUDGET AUTHORITY



 Jenny Scanlin, President



 Marlene Garza, Treasurer

Request: Review and approve the FY2021 Operating Budget for Build HOPE, Inc.

Purpose: Build HOPE, Inc. (BHI) is funded primarily by donations and operating transfers from the Housing Authority of the City of Los Angeles’ (HACLA) affiliate, LA LOMOD, and supports the residents living in assisted housing, with a primary focus on HACLA’s public housing residents.

Issues: The BHI FY 2021 Operating Budget includes several ongoing initiatives as itemized below.

In-Kind Support

Since its inception, BHI has relied on the in-kind support of HACLA staff for all its operational needs. This includes staff throughout the agency, including staff from the Strategic Initiatives Unit, as well as the Legal and Finance Departments. Staffing resources in the Strategic Initiatives unit have been enhanced, including the addition of a grant writer, whose primary task will be fundraising for BHI. In FY2021, this in-kind staffing support will be tracked more closely to better reflect the resources dedicated to BHI.

Future Growth - \$25,000

Notwithstanding this in-kind support, the future growth of BHI depends on establishing a mechanism for BHI to administer grants directly, including hiring its own staff. Relying on LA LOMOD as a model, BHI will take steps to establish the necessary administrative mechanisms, policies and insurance necessary to enable this in FY2021.

Fundraising for Scholarship Endowment - \$50,000

For the past several years, BHI has been able to raise least \$20,000 annually for scholarships, and through additional partnerships with HACLA’s Section 3 Program and the County Probation Department, has raised as much as \$50,000 for scholars. Although we have not been able to move as aggressively to establish a more formalized fundraising backbone for the scholarship program, BHI raised enough money to fund every applicant in the 2020 scholarship round. In FY2021, BHI will focus on developing an endowed scholarship fund that could offer multi-year scholarships to our current and future recipients.

Support Services for Public Housing Residents - \$125,000

Although the initial FY2020 Budget for BHI was premised on the goals of program and capacity expansion, the immediate needs of residents under the COVID-19 pandemic took precedent throughout the year, and BHI has proven to be an

invaluable tool for the receipt of donations and distribution of essential services not otherwise possible for HACLA.

With the pandemic still far from over, BHI anticipates continued fundraising activities related to COVID-19 response to remain a priority for FY2021. At this time, the budget includes a conservative estimate of \$125,000 in donations for these supportive services.

Broadband Connectivity for Public Housing Residents - \$69,640

Another of BHI's areas of investment is our Broadband Connectivity Initiative, with significant resources tied to the continuation and improvement of internet connectivity at some of HACLA's largest sites (Jordan Downs, Mar Vista, and San Fernando Gardens).

BHI has continued to work with HACLA to secure additional partnerships to improve connectivity. This includes establishing an innovative partnership with Starry utilizing new technologies to provide even faster internet at extremely low-cost to residents. In 2020, Starry will begin providing services at Mar Vista, Imperial Courts, Nickerson Gardens, Pueblo del Rio, and Jordan Downs, with further expansion in 2021 to Estrada Courts, Pico Gardens, Rancho San Pedro, and William Mead. This new partnership will allow BHI to incrementally sunset its current broadband programs at Mar Vista and Jordan Downs through FY2021 as residents adopt the new platform. The existing services at San Fernando will be ongoing since the internet service infrastructure was updated in 2017.

Rebranding - \$60,000

With BHI's name change, the organization is undertaking an initiative to create a new logo and communication plan and a complete revision to our website. In addition to promoting BHI's programs and initiatives, the new website will also facilitate online donations.

Funding: The primary funding sources for BHI will continue to include private donations for the Scholarship Program and COVID-19 Supportive Services as well as operating support from LA LOMOD. However, BHI intends to pursue various grant opportunities for capacity building and has set the goal of bringing in \$100,000 in new grant resources in 2021 to support BHI's capacity growth.

Attachments:

1. Resolution
2. Build HOPE, Inc. FY2021 Budget Summary

RESOLUTION NO. _____

RESOLUTION APPROVING AND ADOPTING THE BUILD HOPE, INC. FISCAL YEAR 2021 OPERATING BUDGET AND AUTHORIZING THE PRESIDENT OR DESIGNEE TO EXECUTE ANY REQUIRED DOCUMENTS AND ADMINISTER BUILD HOPE, INC. IN ACCORDANCE WITH ADOPTED BUDGET AUTHORITY

WHEREAS, the Treasurer has prepared and the President has submitted the Fiscal Year 2021 Operating Budget to the Build HOPE, Inc. Board of Directors for consideration; and

WHEREAS, the Operating Budget is reasonable in that it indicates a source of funding for proposed expenditures, and it does not provide for expenditure in excess of funding; and

WHEREAS, all proposed charges and expenditures are consistent with the Build HOPE, Inc. bylaws and purpose; and

WHEREAS, the Board of Directors has reviewed the Fiscal Year 2021 Operating Budget and finds the recommendations acceptable.

NOW, THEREFORE, IT BE RESOLVED that the Build HOPE, Inc. Board of Directors 1) approves and adopts the Operating Budget for the fiscal year ending December 31, 2021; and 2) authorizes the President, or designee, to execute all required documents and administer Build HOPE, Inc. operations and related programs in accordance with the adopted budget.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM:

BUILD HOPE, INC.

By: _____
General Counsel

Ben Besley, Chairperson

Date Adopted: _____

Build Hope, Inc 2021 Budget Operations

In 2020, KPI formally changed its name to Build HOPE, in recognition of the expanded core mission that is aligned with the agency's Vision Plan. In HACLA's response to COVID-19, Build HOPE has been a critical resource and tool for receiving donations to mitigate the crippling effects of the pandemic on our resident families. In 2021, it is expected this work will continue, but at this time, estimates for donations are conservative. In addition to this ongoing initiative, focus will continue on expanding the Scholarship program and on updating the website.

FUND	[06101,06]		2020 Midyear				2021		
COST CTR	[*,/0901]		2019	Budget	YTD Sept	% YTD	Increase/ (Decrease)	Budget	Notes
ACCOUNT	OBJECT	Account Name							
REVENUE									
[71500,70400]	*	Other Revenue	38,846	425,000	461,806	109%	(250,000)	175,000	
71500	369120	Donations - Scholarships	38,607	-	-		50,000	50,000	New Donations for scholarships
71500	369120	Donations - Support Services	38,607	425,000	461,806		(300,000)	125,000	Will continue to submit grant apps for new resources, etc. Setting up website donations and repromote Amazon Smile
TOTAL REVENUE			38,846	425,000	461,806	109%	(250,000)	175,000	
EXPENSES									
91200	*	Auditing Fees	11,432	11,432	7,000	61%	-	11,432	Audited Statements and Taxes Prep
91600	*	Office Expenses	1,358	7,000	964	14%	-	7,000	
91600	426460	Meeting	-	5,000	-	0%	-	5,000	Advisory Board for Scholarships; costs related to Scholarship event
91600	426320	Off Site Storage	1,358	2,000	964	48%	-	2,000	Bin at Estrada for books, diapers etc.
91900	*	Other Administrative	392	60,600	250	0%	16,110	76,710	
91900	426510	Bank Charges	-	200	86		1,010	1,210	
91900	423050	Business Consulting	-	30,000	-	0%	30,000	60,000	Continued work on website and communications planning
91900	426570	Licenses and Fees	142	100	164	164%	100	200	
91900	423090	System Design/Programming	-	30,000	-	0%	(15,000)	15,000	Donor database
91900	423070	Translation	250	300	-	0%	-	300	
[92200,92400]	*	Tenant Services	44,075	445,300	436,733	98%	(270,300)	175,000	
92400	427170	Supportive Services	16,994	425,000	416,433	98%	(300,000)	125,000	Via donations, provide meal delivery and other essential services
92400	427200	Youth Scholarship Awards	26,480	20,000	20,000	100%	30,000	50,000	Via donations, expanded Scholarship program
96100.96140	*	Insurance	4,449	3,200	4,058	127%	1,300	4,500	D&O; General Liability
TOTAL EXPENSES			61,705	527,532	449,004	85%	(252,890)	274,642	
Revenue over Expenses			(22,860)	(102,532)	12,802		2,890	(99,642)	
NON-OPERATING									
5*	*	Transfers and Surplus	76,169	102,532	(9,427)		(2,890)	99,642	
51110	281000	From/(To) Unrestricted Reserves	61,169	22,532			(22,532)		
51110	281000	From/(To) Donations Reserves		20,000			(20,000)		
50993	281000	Transfers In LA LOMOD	15,000	60,000	(9,427)		39,642	99,642	
TOTAL REVENUE			76,169	102,532	(9,427)		(2,890)	99,642	
Net Revenue over Expenses			53,310	-	3,375		-	-	

Build Hope, Inc 2021 Budget

Broadband Connectivity at Jordan Down, Mar Vista Gardens, and San Fernando Gardens

Through this initiative, residents at three sites have been provided broadband internet connection and maintenance. Beginning in 2020, through an innovative partnership with Starry, enhanced broadband will be made available directly from the provider to residents at Jordan Downs and Mar Vista as well as seven (7) other developments. In 2021, this budget reflects the incremental transition from the existing plans to Starry.

FUND		06103		2020 Midyear			2021		
ACCOUNT	OBJECT	Account Name	2019	Budget	YTD Sept	% YTD	Inc/(Dec)	Budget	Notes
EXPENSES									
[92200,92 *	0416	Jordan Downs WiFi	42,608	52,680	20,161	38%	(26,340)	26,340	
92400	[426210,4 0416	Data / Broadband	27,488	30,000	20,161	67%	(15,000)	15,000	thru Q2 then Starry
92400	426215 [0416,012	Telecomm Maintenance	15,120	22,680	-	0%	(11,340)	11,340	thru Q2 then Starry
[92200,92 *	[*,/0416,/	Mar Vista Gardens WiFi	33,594	34,000	16,750	49%	(25,500)	8,500	
92400	[426210,4 [*,/0416,/	Data / Broadband	12,594	13,000	9,750	75%	(9,750)	3,250	thru Q1 then Starry
92400	426215 0421	Telecomm Maintenance	21,000	21,000	7,000	33%	(15,750)	5,250	thru Q1 then Starry
[92200,92 *	0422	San Fernando Gardens	-	34,800	13,140	38%	-	34,800	
92400	[426210,4 0422	Data / Broadband	-	24,000	13,140	55%	-	24,000	Spectrum
92400	426215 0422	Telecomm Maintenance	-	10,800	-	0%	-	10,800	Connected Communities
TOTAL EXPENSES			76,202	121,480	50,051	41%	(51,840)	69,640	
NON-OPERATING									
50993	* *	Transfers and Surplus	76,202	121,480	50,051	41%	(51,840)	69,640	
50993	281000 *	Transfers from LOMOD	76,202	121,480	50,051	41%	(51,840)	69,640	
TOTAL REVENUE			76,202	121,480	50,051	41%	(51,840)	69,640	
Net Revenue over Expenses			-	-	-		-	-	