

**Self-Assessment Guide for
Nonprofit Organizations
Considering Development**

1. Organizational Structure

	Yes	No	Need to address
Corporation Status:			
▪ Is the organization incorporated and its nonprofit status intact?			
▪ Are you in good standing with state agencies?			
Corporate Planning:			
▪ Do you have a strategic plan that identifies housing development as a key activity?			
Membership:			
▪ To what extent is the membership active and in support of housing activities?			
▪ To what extent does the organization reach out to recruit low-income beneficiaries as members?			
▪ To what extent has the organization made efforts to recruit members with relevant professional skills?			
Corporate management structure:			
▪ Are the corporate lines of authority for development activities clear?			
▪ Does the current management have the ability to manage additional activities?			
▪ Are policies & procedures in place governing development activities?			
▪ Are personnel policies and performance appraisal systems in place?			
▪ Does the organization have a conflict of interest policy governing employees and development activities, particularly in procurement of contract services and the award of housing units for occupancy?			
Corporate Liability:			
▪ Does the organization have adequate liability insurance, directors and officers insurance, and fidelity bonds for those who handle funds?			
▪ Does the organization have structural separation between housing development and other corporate activities – such as a development subsidiary, independent development entities, separate portfolio management entity, or other legal firewalls?			

Rating	
With regard to organizational structure , our organization rates:	
5	We are fully ready to take on most any housing development
4	We are ready to take on many kinds of development
3	We can do limited development, but need to grow
2	We need to develop capacity in this area
1	We're not ready
Score _____	

Comments/changes required:

2. Board, Staff & Development Team Capacity

	Yes	No	Need to address
Board Composition/Capacity:			
<ul style="list-style-type: none"> ▪ Do board members have professional skills directly relevant to housing development (e.g., real estate, legal, architecture, finance, management)? What efforts have been made to recruit such board members? 			
<ul style="list-style-type: none"> ▪ Has there been stability/continuity of board members over the last several years? 			
<ul style="list-style-type: none"> ▪ Does the board have a committee structure or other means of overseeing planning and implementation of development? 			
<ul style="list-style-type: none"> ▪ Has the board demonstrated the ability to make timely decisions? 			
<ul style="list-style-type: none"> ▪ Is there a good relationship between board and staff? Do they have shared goals for the organization? 			
Staff skills: Do staff have adequate skills and training in the following areas:			
<ul style="list-style-type: none"> ▪ management of hsg development 			

	Yes	No	Need to address
▪ fundraising/grantsmanship			
▪ oversight of design & construction			
▪ marketing & intake			
▪ property management			
Training: Do you provide adequate opportunities and encouragement for staff to receive training and expand their development skills?			
Use of Consultants:			
▪ Do you have access to experts beyond your staff in housing development?			
▪ Do you have a policy/procedure for procuring consultants and development team members?			

Rating	
With regard to board/staff/team development capacity , our organization rates:	
5	We are fully ready to take on most any housing development
4	We are ready to take on many kinds of development
3	We can do limited development, but need to grow
2	We need to develop capacity in this area
1	We're not ready
Score _____	

Comments/changes required:

3. Project Planning & Management

	Yes	No	Need to address
Understanding of the market:			
▪ Has the organization done any analyses of the local housing market and the housing needs of low income households?			
▪ Has the organization analyzed the competition -- both publicly assisted and private housing that serves low income?			
Project Selection:			
▪ Do you have a process for carefully evaluating alternative projects and sites?			
▪ Do you have a process for potential low-income beneficiaries of the housing to provide input?			
Project Planning:			
▪ Does the organization have a process for regularly monitoring the progress of a project?			
▪ Do you have a process for making timely decisions?			
Community Relations:			
▪ Do you have positive relationships with your community/neighborhood? Are they likely to support additional housing development by you?			
▪ Do you have positive relations with your local government, and can you count on them for support, approvals and funding?			
Property/Asset Management:			
▪ Do you have property management operations established (occupancy mgt, fin mgt, maintenance)?			
▪ Do you have procedures for overseeing the financial conditions of all property assets?			

Rating

With regard to **project planning & management**, our organization rates:

- 5 We are fully ready to take on most any housing development
- 4 We are ready to take on many kinds of development
- 3 We can do limited development, but need to grow
- 2 We need to develop capacity in this area
- 1 We're not ready

Score _____

Comments/changes required:

4. Financial Management & Capacity

	Yes	No	Need to address
Financial management:			
▪ Do you do an annual budget?			
▪ Do you have a process for for regularly tracking and monitoring expenditures against budget?			
▪ Do you have adequate procedures in place to monitor cash flow (receipts and disbursements)?			
▪ Do you have adequate internal controls to ensure separation of duties and safeguarding of assets?			
▪ Do you make regular reports to the board updating financial positions?			
Audit:			
▪ Do you have a regular and current audit?			
▪ Is the most recent audit clean, or have all management or compliance findings been resolved?			
▪ Do your financial management and accounting systems conform to OMB A-110 or 24 CFR Part 84?			
Financial stability:			
▪ Does the organization have a diversified and stable funding base for operations?			
▪ Are the revenues predictable year-to-year?			
▪ Is the organization able to exist without developer fees?			
▪ Are any programs or projects currently at risk?			
▪ Are existing rental housing projects (if any) producing positive cash flow and paying management fees?			

	Yes	No	Need to address
Liquidity:			
▪ Do you have adequate cash to pay bills most of the time?			
▪ Do you have current assets that exceed current liabilities by at least 50%?			
▪ Do you have enough liquid capital to make capital advances to a project (5–10% of project costs)?			
▪ Do you have the capacity to quickly raise such capital for projects?			

Rating

With regard to **financial management & capacity**, our organization rates:

- 5 We are fully ready to take on most any housing development
- 4 We are ready to take on many kinds of development
- 3 We can do limited development, but need to grow
- 2 We need to develop capacity in this area
- 1 We're not ready

Score _____

Comments/changes required:

5 Conclusions of the Assessment

Our organization is strongest in the following areas:

The following areas are where improvement is needed if the organization is to succeed at affordable housing development:

Assessment of Project Impact on the Organization

Proposed Project Summary

Project Name _____

Description _____

Est. Total Capital Requirements (funds to be raised) _____

Est. Total Annual Operating Budget (non-revenue) _____

Time Frame for Development _____

1. Does the proposed project directly support the mission of the organization?

2. How strong is the internal support of board, members, and staff for the project? Is there internal dissent? What is the potential impact of the dissent?

3. How strong is the external support of the community, constituents, and the public sector? Will this affect the external approvals of the project?

4. Does the organization have the capacity to undertake another venture? Does it have the required staff and skills? Or can it create a partnership or venture to obtain the required capacity?

5. Does the project use or build on organizational strengths (identified in the assessment)? Is it compatible with current activities and the existing portfolio? Does it enhance other operations? Will there be economies of scale?

6. Has a sufficient market for this service been demonstrated?

- Describe the geographic market:

- Describe the demographic target:

7. Is there a plan or analysis demonstrating feasibility?

8. What are the key risk factors?

9. What are the total financial (advances & equity) requirements the project for:
- pre-development capital costs and advances _____
 - project equity requirements _____
 - organizational overhead costs during implementation _____
 - initial operating deficits _____
 - pre-funded reserves _____
10. What contingent liabilities exist for the corporation if the project fails either before or after completion? Should the project be organizationally separate from other ventures?
11. What is the impact of the proposed project on the organization's existing operations/portfolio? Will it distract management attention from other operations? Will it divert capital from other operational needs?
12. What are the opportunity costs of the project? What other projects/activities may not be able to occur due to diversion of management attention and corporate resources to this project?

13. What other benefits result from the project:
- economic opportunities for customers?
 - physical improvement and other community benefits?
 - organizational benefits?
 - replicability?
14. To what extent would the costs/impacts of any of the above be altered by:
- a change in the type of project or clients served?
 - a reduction in scale?
 - a change in financing?
 - a change in implementation schedule?
15. Overall, does the project provide reasonable benefits to the organization and its customers relative to the associated risks?