Memorandum

TO: Athena Williams, OPRHC Executive Director

FROM: Ahmad Zayyad, Deputy Village Manager/Interim Director of Neighborhood Services

BY: Noemy Diaz, Management Analyst; Jeff Prior, Neighborhood Programs Manager; Vanessa Matheny, Grants Manager

DATE: May 8, 2024

SUBJECT: Oak Park Regional Housing Center Corrective Action Plan- Village Staff Feedback

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The Oak Park Regional Housing Center submitted a response to the Village letter dated February 16, 2026. The response detailed their corrective action plan and provided supplemental information. Below summaries Village staff response to the plan articulated by the Housing Center.

Clear plan for the OPRHC Board of Director's financial oversight.
The Housing Center mentions the organization moving forward in the direction of re-structuring the agency. The letter discusses the center is in the process of updating the existing accounting and financial procedures. There is no mention of the timeframe for the completion of this process, nor in what direction the agency is gearing towards. The letter also discusses the Board of Directors is in the process of establishing a Finance Committee and its procedures; however, there is no mention of the timeline for the completion of this process. The response highlights "the Executive Director will continue to provide the Board of Directors with a bi-weekly agency check-in. The Board of Directors will continue to have monthly board meetings with an agenda that includes the E.D. report and previous months financials." Village staff do not agree that this response to the Housing Center's Board of Directors financial oversight is sufficient. The Board of Directors receiving the previous month financials at the monthly board meeting, is the current structure in which the Housing Center has been functioning and has proven to not be sufficient financial oversight of the organization.

Identify immediate cooperation and responsiveness with the Village.
The Housing Center suggests a text message is sent for there to be immediate responsiveness. The response recommends that all email communications include the Executive Director, Michael Stewart, Associate Director, and a Housing Center Board Member. Village staff felt this response to be insufficient. As of October of 2023, Village staff have sent all email

communications to the Executive Director and Housing Center Board members and have had difficulties in cooperation and responsiveness. There is also reference to occasional requests of additional time to support delivery of information without providing a duration. Village staff recommend that the Housing Center adheres to the timelines and due dates outlined in the funding agreement.

Intent to participate with the Homes for a Changing Region Study and the Diversity, Equity, and Inclusion Assessment (at the completion of the studies).
In the response, the Housing Center discussed the creation of a committee in the organization that would work with Village staff to develop a framework of the strategies discussed in the outcome of the studies for implementation in Oak Park. The response focuses on five (5) key goals in which they aspire to collaborate with the Village for the Housing Center to execute. Several of the goals listed have been previously discussed with the Housing Center, such as a payment assistance program, renovation of older housing stock, and working with the Village to acquire homes to renovate and sell them at an affordable rate. Previously, Village staff did not recommend funding these initiatives, as part of their annual general funding agreement, due to the high turnaround of the organization and Village staff having concerns with the Housing Center's capacity to effectively execute the initiatives.

The response also discusses the Housing Center addressing barriers to renting, in which there is a proposal to manage a rental counseling program. Other organizations in Oak Park offer various rental assistance programs, that the Village currently funds. Village staff believe it would be most effective for the Village to focus on strengthening its current programs, as a result of the Housing Study and DEI Assessment, rather than duplicating existing programs.

The Housing Center also mentions a key objective of the organization is to re-institute the integration program to sustain integration throughout the Village. This is a concerning statement, as Village Staff are unaware that the existing affirmative move program is not a current function of the organization. While Village staff do believe the current structure of the integration program needs to be updated to reflect the present-day trend of movement in Oak Park, staff is not recommending the Housing Center to structure the revised program alone.

Housing Center must identify the racial integration plan and how it concurs with the Village's goal for affordability.
The Housing Center details their goal to reassess racial integration. The response details their goal to creating a program for property owners to work with under-represented renters. It goes into further detail to discuss the potential dynamics of the program, in which the Housing Center mentions the down payment assistance program. Village staff acknowledge this has been a consistent ask of the Housing Center to create a down payment assistance program. However, Village staff have not recommended funding for the initiative historically due to the staff's concern of capacity and proper use of funds. Furthermore, there is no correlation between the down payment assistance program and with racial integration.

Housing Center must identify Village involvement with the Center's operations.
The Housing Center identifies in an effort to sustain community integration, they have created a committee called Cultural Viability Impact (CVI). This new initiative focuses on the cultural impact through affordability and homeownership. The Housing Center recommends to have two (2) Village staff members as part of this committee to work alongside with other community residents and the Housing Center to build the framework to sustain a more inclusive community. Village staff concur with this recommendation that Village staff should be involved in this initiative. This also concurs with Village Board direction, of having Village staff involvement with the Housing Center.

Housing Center must restructure their financial management system to provide accurate, current and complete disclosure of the expenditures of all funds provided by the Village.
In response, the Housing Center states their CPA consultant is re-evaluating the current "classes" within their QuickBooks software. In addition, they are seeking additional funding to have the ability to hire a full-time finance manager for the organization. Village staff found this response to be lacking in a corrective action. As a result of the financial monitoring conducted by the Village staff, Kolnicki Peterson and Wirth, and HUD it was ultimately deemed the organization does not have the proper financial structure to operate. The current structure of the financial system does not have the proper checks and balances to keep track of all expenditures. In the response, the Housing Center discusses the organization is following the financial policies which reflect the proper financial oversight of the Housing Center financial team and the OPRHC Board. However, this was proven to be lacking as a result of the most recent three financial monitoring's conducted of the agency in the last six months.

Housing Center must develop a new reporting (voucher) template to detail expenditures related to the funding agreement.
The Housing Center provided a new reporting template for Village staff consideration. After reviewing, Village staff appreciate the layout of the summary template, as it details the expenses in which the agency is requesting reimbursement. However, the supporting detail is incomplete. The goal of a new reporting template is not to diminish the need of supporting documentation, but rather organize and clearly list the items in which Village funds are being expended. Village staff welcomes the opportunity to meet and discuss the layout and reimbursement style as requested.

The Housing Center must ensure Housing Center staff are paid their wages at the time they are due.
Village staff do not support the recommendation of the Housing Center to furlough staff when the organization does not have the sufficient funds to pay the wages due. As a second alternative, the Housing Center notes a line of credit that was secured in August 2023, will be utilized to pay staff their wages. In reviewing of the financials of the organization in August and September of 2023, the organization had expended said line of credit. The Village has had a

turnaround of payment within the same week in which the proper documentation is received to process. As the organization's largest funders, it is not a correct statement for the Housing Center to note that their staff are not paid wages due to delayed payments from funders. The Village funds 100% of the Live in Oak Park staff at the Housing Center, between the General Funding Grant Agreement and CDBG Agreement.

Housing Center must identify all funding sources and identify if any Live in Oak Park staff salaries or programmatic expenses are reimbursed through other funding sources.
The Housing Center did not provide this information.

Housing Center must submit their 2023 unaudited financial statements, including statement of income and expenses. These financial statements must breakdown expenses by administration, program and capital expenditures.
The Housing Center provided their unaudited financials. Village staff noted the organization is currently ending the 2023 fiscal year at a net operating loss of $356,617.29. This net loss includes the loss revenue from the Village at a total of $229,108, Cook County at a total of $26,963.63, City of Chicago at $24,669.66, and IHDA at a total of $95,642.29.