

South Carolina State Housing Finance and Development Authority 300-C Outlet Pointe Blvd., Columbia, South Carolina 29210 Telephone: 803.896.9001 TTY: 803.896.8831

SCHousing.com

Robert D. Mickle, Jr.

Chairman

Bonita H. Shropshire
Executive Director

July 30, 2020

SENT VIA EMAIL TO: KENDRAWILKERSON@SCHOUSE.GOV

The Honorable Wm. Weston J. Newton Committee Chairman Legislative Oversight Committee South Carolina House of Representatives Columbia. South Carolina 29201

Re: Agency Reply to July 13 Anonymous Letter

Dear Representative Newton:

I want to thank you for providing the anonymous employee letter that was sent to the Legislative Oversight Committee (LOC) under public input. SC Housing appreciates the opportunity to respond and correct. The agency's most recent letter to the LOC dated July 15, 2020, addressed some of the information mentioned by the anonymous employee; however, I would like to specifically address a few items in the employee's letter:

"Most of executive staff have been working together in the office...so they could give answers that would make them appear to be operating aboveboard."

• Senior staff as defined within our agency consists of direct reports to the Executive Director. In Mid-March, under the Governor's Executive Order No. 2020-11, SC Housing instituted a telework plan that placed non-critical personnel, including most of my direct reports on telework schedules. SC Housing has slowly phased employees physically back into the building; on May 12, 2020, all of my direct reports returned, and the next layer of management returned full-time the following week. Needless to say, COVID-19 caused many items to be re-prioritized and we are extremely appreciative that the LOC permitted an extension to the follow-up information. SC Housing is still operating with approximately 43% of our employees physically in the building, and remaining employees on teleworking schedules. Please know that I have remained physically in the office with hours beyond a 37.5 hour work week working alongside employees who are mission critical to processing rent adjustments and mortgage forbearance requests so that the citizens that we serve would not be in jeopardy of losing the places that they call home. I want to assure this committee that my and my staff's aboveboard activities were more than an appearance.

"The interim CFO, Jessica Lewis,..."

• Jessica Lewis served as the agency's Interim Controller, never as an Interim CFO. Ms. Lewis' maternity status is immaterial as to her ability to perform the job duties. She was an impressive senior level accountant who I promoted to Interim Controller and she did an outstanding job for this agency before resigning to teach part-time at the University of South Carolina.

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"Effectively, it is still vacant. The person...Her last position was more akin to a procurement officer."

• Ellen Eudy was hired as the agency's CFO on March 17, 2020 and I am ashamed that Ms. Eudy has only been with us for four months and already has to endure an attack of her professional qualifications by this anonymous employee. Allow me to assure this committee and to extend my apologies and support to Ms. Eudy, for she is more than qualified and SC Housing is fortunate to have her. Ms. Eudy's last position was as CFO of the housing department of the fourth largest city in the country, overseeing an annual budget of over \$100 million. In fact she has over 13 years of affordable housing finance experience as CFO, Finance Director, and a Multi-Family Developer, as well as more than 30 years in financial management.

"...was begun in April and hurriedly finished in order to meet HOC Inquiries...presented to the Board of S.C. Housing on June 17 but was not approved at that time...A plan of one or two years is hardly 'strategic.'"

• The letter's description of the strategic plan process represents a mischaracterization of what has taken place within the agency over a far longer period. In recognition of the need to assess the strategic direction of the agency and the housing landscape in South Carolina, SC Housing took a number of steps starting in 2018, including the retention of an external consultant and the creation of two new positions, namely a Director of Housing Initiatives and Innovation and a Chief Research Officer. In May 2019, the management team attended a full-day strategic retreat to participate in guided discussions and activities to help identify opportunities for the agency, which led to a number of high-level internal conversations.

The active development of the document approved by our Board of Commissioners on June 17th began in late 2019. The process engaged over 20 percent of SC Housing staff including division directors, program managers and line staff. In March, with the emergence of the COVID-19 pandemic, there were some disruptions, but activity resumed shortly thereafter to finalize the document.

It was always the agency's intent to have a new strategic plan in place for the start of the new fiscal year on July 1. As for the nature of the plan, it has a cohesive framework that connects each task to the mission and vision of the agency and identifies relevant and actionable paths forward, developed through extensive internal consultations. Given the current lack of visibility due to the pandemic and the economic issues that it has caused, it would be inappropriate to implement a plan with a longer time horizon when conditions may be radically different two years from now.

"The only remedy is to install a board...and takes an active role in the agency's management, policies and affairs."

As prescribed in the Agency's Bylaws, the management of the Authority is vested in the Board, the
responsibility of the day-to-day operations of the agency is delegated to the Executive Director and
staff.

"I can speak to perjury...Bonita Shropshire testified under oath that he resigned...saying she left because the salary was not high enough and she went back to the private sector. Not true."

• In our agency, personnel matters are strictly confidential and very few individuals are privy to separation information. It is presumptuous for any current or former employee to assume they have knowledge of a confidential personnel action. If an employee elects to resign, regardless of whether it is for personal reasons, another job, in lieu of termination, etc., it is still a resignation. I resent the implication that I would lie, under oath or otherwise.

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"This agency is being run by a senior staff...who have no housing, financial or management experience."

• The agency's Senior Staff represents, collectively, over 130 years of experience in housing matters, over 160 years of experience in financial matters, and nearly 260 years of experience in management.

I welcome any specific inquiries related to the employee's letter that have not been addressed.

Sincerely, Bonita Shropshie

Bonita H. Shropshire Executive Director