



ELK POINT

JUNE 2015 NEWSLETTER

HOA Fraud on the Rise

You may have heard recently about the case in Las Vegas, NV that involved attorneys and developers in collusion to commit Homeowners Association Fraud. What did they do, and how can you prevent something similar from happening should you live in a development that has a HOA?

The case itself recruited “straw buyers” to purchase homes in the neighborhood who were then elected to the Homeowners Association. The HOA would award legal and construction contracts for construction defects to those that recruited them.

How can you prevent something similar from happening to your investment? First, determine if your HOA is self or professionally managed. In some cases, residents manage the business of the HOA, in others they hire a firm to do it. No matter what make sure you hire a separate, professional, bookkeeper and accountant. Separate duties to prevent embezzlement. Possibly hire a property manager to oversee daily operations and report to the HOA Board. Review vendors to ensure they are real entities and not shell companies. Finally, when hiring someone to do work, follow up to make sure the work was actually completed. If needed, utilize the bid process for all contract work.

If you feel your own neighborhood Homeowner Association needs a fraud review just let FAI International know and we would be happy to bid this opportunity for you.

Building a Marketing Blueprint

Christine Birker at the American Marketing Association outlines a blueprint for organizations looking to plan out their marketing initiatives in the May 2015 Marketing News Magazine.

Start with the basics. Know what it is your brand stands for. Define who your audience is and what is the value proposition for the product or service you are marketing.

State the Goals and Objectives you have for the plan. Identify the Priorities. Make sure you have Management Plan Buy-In. You can always outsource work, but if Management is not on board the plan will sink before it has a chance to sail.

Nowadays it is a must to include digital components. Video and photographs can visually tell the story much quicker than words with the short attention span audience.

You do not need to reinvent the wheel. Use the resources you have but be flexible in your planning.

Does your Non-Profit have Insurance?

Did you know that Non-Profit organizations are just as likely to face lawsuits as any other organization? Your Board needs to look into Liability Insurance to protect its members from lawsuits that can affect them personally.

Why you should NOT make a Counteroffer

Your “star” employee just walked into your office notifying you that they have been offered a position with another company at a higher rate of pay. What do you do?

The reflex is to match or better the pay in order to keep the employee. However, that is not always the best solution. Robert Half International has posted five reasons not to make a counteroffer.

It is not a permanent fix. Matching or increasing the pay is like taking an aspirin. It is not a long term solution. In 38% of cases polled the employee left within the year.

It also sets a precedent that can come back and haunt you. Once you increase pay for one employee, you will need to do it for all employees. It can also cause a decrease in moral amongst the team and a rift in trust with management.

It has been found that increasing employee pay seldom increases employee performance. Something to keep in mind as the minimum wage debate continues on.

3rd Annual Coeur Group Rubber Duck Derby

Get your \$10 duck for a chance to win \$1000 and support local students. Visit thecoeurgroup.com to purchase your tickets by June 10th.