



H A B I T A T  
**ReStore  
Manual**

Habitat for Humanity ReStore success stories are now a common occurrence. The significant additional income that ReStores are capable of generating has prompted many affiliates to establish the project within their own community—often to great success.

This manual is designed to help affiliates with the process of opening a ReStore. It may also be useful to affiliates with a new or struggling ReStore.

We consulted several successful ReStores in developing this manual. Experience, however, has shown that each ReStore is unique. So the following is intended only as a general guide. The methods discussed herein have been successful for other affiliates, but your affiliate may discover better practices. If so, please share news of your successes with HFHI's Construction and Environmental Resources department so that they may be added to this manual in the future.

Thank you for your interest in the ReStore program.



Nevil Eastwood  
Director, Construction and Environmental Resources

## **The ReStore Mission**

A Habitat ReStore is a facility that supports the services provided by its local Habitat for Humanity affiliate. The income generated from the project goes specifically toward expanding the building program of the local Habitat affiliate.

ReStores recycle overstocked, discontinued, new and used building materials donated by manufacturers, stores, contractors and individuals. These donated items are sold to the public or used in construction of Habitat houses. All revenue from sales goes to the local affiliate in support of its building program.

## Note

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Before opening a ReStore there are crucial organizational steps that must be taken. The importance of recognizing all areas of start-up and operation in the early stages of planning cannot be overemphasized. Some stores have difficulty soon after opening or do not operate at their potential. This is often the direct result of poor organization and preparation at earlier stages of development.

A timetable illustrating the recommended sequence of steps for ReStore startup is provided in the back of this manual, following the appendices. Please note that any suggestions relating to chronology and methodology are provided as a guide only. As your ReStore plan develops, common sense and sensitivity to circumstances will be your best allies in determining effective practices for your ReStore.

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When setting up a ReStore, take time to thoroughly consider the best way to establish your local management relationship and decision-making process. The affiliate may want to form a steering committee to guide initial operations. This committee should include members of the affiliate board who understand the ReStore facility and its potential.

During the start-up process, the affiliate should communicate directly with an established, successful ReStore. Smaller affiliates often run into trouble by presuming that a ReStore is an easy operation to start and run. Having an experienced mentor can help an affiliate avoid costly mistakes.

## **The Affiliate/ReStore Relationship**

The relationship between store operations and the board of directors depends largely on the affiliate size and staff. Some ReStore directors are also affiliate directors and can make important, immediate decisions regarding how the store will operate. ReStore directors report store activities to the board, with limited need for board consultation once the board has approved the business plan and budget. Most affiliates choose to have a separate ReStore director who is under the authority of the executive director, who in turn reports to the board on the store's behalf. In this case, pre-board meetings are arranged with the executive director once a month to discuss legal matters and finances. Otherwise, the ReStore director is given the responsibility of running the ReStore—that is, making decisions about what to stock, what to reject, hours of operation, etc.

## **The Start-up Team**

ReStore projects are formed in various ways. Every ReStore has its own start-up story and each store manages its committee and governing body in the way that best suits its affiliate structure. Some small affiliates have the executive director and board act as the ReStore committee. In other cases, members of the board of directors are too busy with affiliate administrative responsibilities to serve on the ReStore committee. If this is the case, a separate ReStore committee should be formed, with an affiliate board member chairing the committee and reporting to the affiliate board.

The start-up team is best composed of a ReStore committee and director, with a store manager under their supervision. As the store grows, the manager may distribute responsibilities through an operations manager, financial supervisor and staff supervisor. See Chapter 6 for more information.

In establishing the start-up team, it is important that clear job descriptions are written for each position. Responsibilities may change over time and it is likely that initially a single individual may need to fill multiple roles. Likewise, it is crucial that each member of the store's staff, whether paid or volunteer, recognizes his or her responsibilities.

*See Appendix A for sample job descriptions.*

In establishing the ReStore committee, try to involve individuals who have experience in the many areas that the project covers, including:

- Retail management.
- Budgeting.

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- Legal and financial issues, with an emphasis on home improvements or construction.
- Real estate or acquisition of a business facility.
- Marketing and advertising.
- Public relations.
- Construction—with ties to builders to help sell the ReStore project to retailers and sponsors in a way that is non-threatening to their businesses.

## **Choose committee members that are in agreement regarding the purpose and mission of the ReStore project.**

It should be the director's aim to see the store grow from an idea to a fully operational nonprofit business. This will involve promoting the store and raising its public profile by acting as the ReStore's official public representative for promotional events. The store director should also assist the store manager (where there is a separate position) in overseeing the store's daily operations as the project moves from the planning stage to implementation.

Store productivity is often a direct result of the store manager's ability to lead a team successfully. To obtain a good understanding of ReStore operations, a prospective manager should attend a ReStore manager's conference or training weekend and spend time viewing another ReStore manager's daily operations.

## **Market and Customer Research**

Commitment, sound financial backing and good team management do not ensure ReStore success. If the market for a used building material store does not exist in the area, the project will fail. All the good intentions and hard work in the world will not generate donations and clients where there are none.

Experience has shown that ReStores can compete very well with other used building material stores. To determine the extent of competition for a proposed area, carry out a market analysis. One way to determine if there is a viable market is through researching to see how many building permits have been issued in your area. The optimal store location is nearest to where most permits are issued.

Before taking steps to start a new project it is important to get a good indication of the amount of building materials available in the area. Perform a material availability survey noting conditions set by donors, such as which materials are to be used for building Habitat houses and are not for resale.

The survey should determine the market and feasibility of a ReStore. Survey questions should attempt to discover the following about potential donors:

- Type of businesses within the immediate area—including range of products manufactured or distributed.
- Availability of materials—types, quality and quantity and expected frequency of donations.
- Name of person in an organization responsible for making material donations.

The ReStore's market is typically made up of low- or middle-income, budget-conscious homeowners and

other groups involved in building or home repair.

Typical ReStore costumers include:

- Do-it-yourselfers making home improvements.
- Small contractors doing rehab work.
- Property managers and real estate brokers buying and selling "fixer-uppers."
- Habitat homeowners.

Characteristic of the costumer:

- Average income of \$15-\$35 thousand per year.
- Minority groups are our best customers, especially Hispanic and African-American groups.
- More than 50 percent of ReStore customers are repeat buyers.
- Most customers live within 60 miles of the ReStore.

The customer market for ReStore products is based on certain fundamental consumer needs, including:

- Low price.
- Large selection.
- Specialist advice.
- Immediate availability.
- Convenient location.

Once a store is open and a customer base is established, it is a good idea to build a database to record facts about customers, including information such as average travel distance and amount of purchases. The more interest you take in your customers, the longer you are likely to keep them.

## Writing a Business Plan

The next step is to move forward with developing the business plan. Compile the information retrieved from the market research and consult with a professional group or individual to write the plan. A university business department or the Small Business Association may be good sources of guidance. A university business department is a good option because students have deadlines to meet, so you can be confident it will be written in one semester.

As soon as the first draft of the business plan is written, each board member should be given a copy to review. Several days later the writers of the plan should meet with the board to present the plan in detail. In the next meeting the affiliate board should examine and fine-tune the recommendations. The affiliate executive director should appoint a qualified person to incorporate any board suggestions into the plan and should present the revised plan to the board for final approval.

The aim of the business plan is to cover all the essential elements of a business while stressing simplicity and flexibility—minimizing overhead at every opportunity. Consider using software such as "Build Your Business" for guidance.

*See Appendix B for sample introductory and executive summary letters.*

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## Affiliate Board Approval

All pre-planning documents should be presented to the affiliate board of directors for final approval. The project cannot officially start until board approval is given. Although the project might be managed and operated outside of direct affiliate influence, it is still functioning solely to support the work of the Habitat affiliate and requires the full support and backing of the board.

Once an affiliate board gives its approval, an enthusiastic ReStore committee can get a lot done in a short amount of time. In Texas, the Austin ReStore completed the following in four months:

- Received affiliate board approval.
- Received \$10,000 in seed money from the affiliate and \$20,000 from a foundation.
- Wrote a business plan.
- Secured a suitable warehouse.
- Gathered a substantial quantity of donated building materials.
- Realized a profit in the first month of operation.

Of course, some ReStore projects take much longer to accomplish similar results; but some enjoy immediate success.

### Set a Goal!

As the ReStore gets underway, determine together with the board and operation team your goal for the first year of business. Victoria HFH (Texas) ReStore decided that its preliminary goal would be to provide funds for half of a Habitat house by the end of its first year in operation. A goal or objective helps the project through any difficulties that arise in the early stages of development. It also provides evidence of achievement that in turn drives the next objective.

## Securing Start-up Funds

At least \$30,000 in seed money is recommended for opening a ReStore. Some stores have begun with a lesser amount due to a wide range of free donations such as racks, shelves, trucks, computers, cash registers, lift trucks, signs and paint.

If ample funding is available and the board approves the ReStore project, the affiliate board must then commit \$10,000 to \$20,000. This support will be particularly helpful as additional funds are solicited from philanthropic foundations.

Insufficient funds can deter an affiliate board from approving the project, but there are other sources to call upon if necessary. It is generally easier to obtain start-up funds than ongoing operational funding support. There are a variety of government funds available to help people establish new businesses. Furthermore, there are foundations that prefer to provide funds for establishing a project rather than providing operational funds. Start-up funds are especially beneficial, because they minimize the need for bank financing.

## Funding Sources

Identifying funding sources is an important part of setting up the ReStore. Start-up funds in addition to sales during the initial stages of the ReStore help raise total revenue over expenses—at great benefit to the store. Contacts for potential funding sources can be found in your local library and on the Internet.

PartnerNet's "Round Table" is a good source of information. If you have success stories relating to grant applications, or advice to give regarding funding, HFHI encourages you to post these on the Round Table to support other affiliates.

Potential funding sources include:

- Individual donors.
- Local foundations and corporations.
- Government grants.
- Money-raising campaigns.
- Partnerships with businesses.
- Preliminary warehouse or yard sales.  
*Crystal Coast HFH's (N.C.) most recent yard sale netted \$30,000.*
- Accelerated asset recovery funds (sale of mortgages).
- Small business administration loans or bank Community Reinvestment Act (CRA) grants and loans.

When Winnipeg, Manitoba, started a new ReStore they found local foundations were readily available to provide start-up funding. Their case was especially appealing to foundations because they had put together a proposal for potential sponsors to examine.

As more and more used building material stores are being set up, it may prove more difficult to plead your case for financial support. Find a new angle of approach, such as how the store aims to tackle a local community environmental issue. Or produce dynamic ways to present the project—e.g., a short video or PowerPoint presentation accompanied by a summary report. If you do not have the resources to do it yourself, approach a filmmaking or media class with the idea for making a promotional video as a project. The chosen filmmaker can then be given a gift paid from the money received by the sponsors and a discount card for use in the ReStore. A guide for how to approach a foundation application entitled "Foundation as a Market for Donations" is available on PartnerNet.

Federal, state, provincial or municipal governments may have resources for start-up or expansion funds under a variety of programs. They will require basic information about the project. Grants to cover salaries (six months to a year) through job creation programs are often available. Fund-raising activities are also a good means of bringing in additional funds as they raise awareness of the work of the ReStore in the local community and generate potential customers.

## Operational Funding

Ongoing financial support can come in a variety of forms. The Winnipeg ReStore accessed Canada's Employment and Immigration Section 25: "Work Program" to train and employ workers to carry out

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salvage. The on-site program also provided funds to hire one person to carry out promotional work.

Overcoming insufficient funding may simply be a case of knowing where to look or knowing the right questions to ask. Time spent researching and making inquiries with similar organizations will pay off. Focusing on the services ReStores offer the community will help direct you to possible resources.

Focus on creating partnerships that are mutually beneficial. For example, contact municipal waste organizations. They may be willing to support the project by giving credit for each ton of waste diverted from the landfill site. Advertising in municipal water, sewer or waste disposal bills sent out to consumers may also be possible. The same groups may offer to help with transportation of salvaged materials from civic projects to the ReStore.

### Choosing the Location

Whether it's a warehouse or a retail business, the first priority in real estate is location. In choosing the best location, consider who and where your customers are. Part of the ReStore mission is to provide those with a low income the opportunity to improve their housing condition through home renovation. Therefore the ReStore facility should be easily accessible to the people of the community it serves. Clients should be able to reach the ReStore on foot or by bus as well as by car.

Also, consider the ReStore's proximity to material donors. Businesses such as Home Depot offer important support and should not be considered competitors. Competing with large home improvement stores for customers could seriously affect your chances of reaching more donors. **It is paramount to attain the attitude that you are working alongside these stores—but providing a different service.**

### Choosing the Facility

In most cases it is inappropriate and too costly to build a new facility for a ReStore.

When searching for a facility, look for abandoned warehouses with adequate parking—e.g., vacant building supply stores, old Wal-Marts, KMarts or grocery stores. The best deals are found on properties that have been vacant five or more years. When renting, sometimes a ReStore can arrange to get the first two or three months free in exchange for cleaning and refurbishing the building.

An abandoned retail business is usually preferable to a warehouse, if it is affordable. It will already have adequate parking, a sprinkler system, handicap accessible restrooms and possibly some of the shelving and check out counters that will be needed. However, a retail property may have more heating and air conditioning than a ReStore can afford to operate.

In sizing up the prospective building, consider how much space will be needed for retail items, for donation receiving, processing and storage, outside storage/sales, office space, affiliate construction storage and affiliate offices (if at the same location). Twenty thousand square feet is the recommended minimum beginning store size.

Too little space may lead to problems and/or the need to relocate, which can be the most damaging thing you can do to a business. The Winnipeg ReStore started with 4,000 square feet and before long had to move to a much larger facility. This ReStore moved twice during its first three years of operation, resulting in the loss of thousands of dollars in potential sales.

It may be that the building is directly connected to the affiliate offices or construction shops. There are advantages and disadvantages to having an affiliate and ReStore share a facility. One advantage is the possibility of sharing volunteers. But consider the general appearance of the two juxtaposed functions: a building materials store with daily deliveries, loading and unloading of materials might not work well next to offices where a sharper, business appearance is desirable.

An adequate parking area is very important. The number of parking spaces needed will of course depend on the size of the ReStore, but it is better to have extra space, with room to expand, than to struggle with not enough space. A parking lot with space for 15 to 30 client vehicles is recommended as a minimum.

## Chapter 2: The Facility

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### Securing the Property

Many ReStores have kept their costs down by occupying older warehouses in moderately good repair where the lease or purchase price is low. On rare occasions the warehouse may be obtained as a charitable gift. Habitat volunteers can refurbish the premises and make it ReStore-ready. In the first year or two of operation a typical ReStore can function in 10,000 to 12,000 square feet of space. In a building that is the recommended 20,000 square feet, the ReStore may initially have 10,000 square feet of space to lease to another nonprofit or business. As the ReStore business grows, the leases may be terminated and the ReStore space expanded. San Antonio ReStore made more than \$100,000 per year on storage space leases before expanding their ReStore.

When a ReStore has leased some of its building space and is ready to expand, the question arises regarding whether that space will generate more income as part of the ReStore facility or as leased storage space. If the financial benefits between options are close, a review of the mission of Habitat for Humanity should tip the scales in favor of expanding the ReStore.

The Austin ReStore faced a unique dilemma: the 40,000 square foot warehouse they purchased for \$300,000 became a prime location and is now worth more than one million dollars. However, the present location is where they can best serve low-income people, and until demographics change, that is where they will remain.



### Local Authority Requirements

Because ReStores operate as a retail facility, local governments require that certain regulations are followed, such as providing a public restroom, wheelchair access, a sprinkler system for fire control, and possibly a paved parking lot. Before committing to a building, contact the appropriate local authorities to assess requirements, licenses and permits.

### Funding for the Property

Funds for the ReStore premises may come from grant requests submitted to various foundations.

### Best Practices

- Have separate warehouses for the building materials you use and the materials you sell.
- If your store decides to deal in appliances, plan for a space where you can demonstrate them before they are sold.
- Find a central location—ideally, within a 15-mile radius of target customer base.

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### Guidance from the Affiliate CPA

Seek direct advice from an accountant from the same firm as the affiliate's CPA. If you feel that the firm has inadequate knowledge of how a used building material business is managed financially, then you may need to consider changing to a firm or CPA that is more knowledgeable with nonprofit resale businesses.

The accountant will set up a yearly ReStore budget separate from that of the affiliate. The budget is generally monitored by percentage of revenue rather than by a set dollar figure, so that when sales increase, the budget increases with it. For example, the trash pickup budget might be one-half percent of revenue. The ReStore net gain is then added to the affiliate's books as an independent item, reported as other income. If the net contribution becomes a significant source of income for the affiliate—say, five percent—auditors may require that the affiliate show revenue and costs as separate line items.

ReStores often manage the accounting for the income and expenditures of the whole facility, which may include revenue from warehouse leased space. This additional income may then pay for building maintenance. Once accounted for, net gains are transferred to the Habitat affiliate.

### Inventory and Reporting

Managing inventory can be a very tedious task because such a variety of goods of undeterminable value are passed through the store. Items received in the store may have numerous values, such as the like new retail value, the value placed by the donor, the price you plan to sell it for and the price it actually gets sold for—taking into account repair costs, damages and discounts. Because you cannot guarantee a value on an item until it is sold, time spent counting stock (except for yearly inventory) is wasted. If your accountant insists on carrying out a perpetual inventory even when insurance does not require the same, question their reasons and affirm the 'value' they wish to record for each item. Follow the guidance of your CPA throughout the financial management of the operation, but if their guidance comes into conflict with Habitat recommendations, then refer them to the *Affiliate Operations Manual: Financial Policy*. Speaking with CPAs from other ReStores may also help reduce the local CPA's workload. Some CPAs do not require an annual inventory.

The primary purpose for tracking inventory is to monitor stock movement. There are many simple and effective methods helpful in facilitating this. For example, use color-coded pricing stickers with a different color for each quarter year. If you used yellow price stickers for anything that arrived in January to March, in May take 25 percent off of any remaining items with yellow stickers; in June, take 50 percent off items with yellow stickers; and so on, until sold.

The yearly audit usually takes place at the end of each fiscal year. To ensure you are keeping on track, meet with your auditor at the beginning of the year to discuss which records will be required for inventory. Be prepared for a meticulous task in the first years of operation.

Internal stock control is good business practice and not as intensive as taking inventory. There are important reasons for establishing internal stock control within the store. Having control over what comes in and out of the store and good management of materials keeps you from over-stocking or over-stretching your resources; informs you of when to re-stock; and helps in determining which materials are good sellers and which should be phased out.

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A record of merchandise turnover should be compiled both diagrammatically and in spreadsheets and pie charts, providing easy-to-read descriptions and the quantity of items sold. This will aid in management and add to progress reports for presentation to the board of directors. It may also be used to provide a quick visual summary of the ReStore's success to potential sponsors.

The ReStore staff should keep daily balance sheets and make daily deposits, tracking sales trends, totals, averages, etc. Good cash registers and accounting software are the primary means of tracking each department's sales. Data from cash registers can be transferred directly into spreadsheets at the end of each day. Excel spreadsheets are often used to track sales by inventory classification and can create reports as needed to determine percentage of sales.

### IRS Regulations

There are many issues involving tax consequences that must be considered. Knowing IRS and state taxing agencies' rules concerning nonprofit status is crucial. Having someone with knowledge of nonprofit accounting on the board is very beneficial.

The IRS requires nonprofit organizations to pay income tax on unrelated business income (UBIT). ReStores and thrift shops are described as a form of Habitat for Humanity's unrelated business as they are not within the central purposes of the organization. However, the IRS does allow exemptions from paying UBIT, especially if a substantial part of the merchandise sold is received as a gift or contribution. Some CPAs advise that a minimum of 85 percent of the stock should be donated to qualify for exemption; others set 87.5 percent as a minimum. Have your accountant research options.

The number of paid employees working in the store has some bearing on the tax as well. If all the personnel in the nonprofit organization are volunteers, then 100 percent of the merchandise may be sold and you will still be exempt from paying the tax. If you have just one part-time paid person, then the figure dramatically drops to 10 to 15 percent. Refer to IRS Publication 598 on the IRS Web site for more information.

Many ReStores have been advised to use a margin as low as five percent to spend on materials to be sold. This keeps stores well within the safety zone of acting as a nonprofit business. Another option is to separate donated goods from purchased goods and price them differently—e.g., price donated items to end with a zero (\$3.50) and purchased goods with a five (\$3.55). This makes it easier to keep track of the two categories. One affiliate plans to purchase larger overruns and sell them as IRS 990T (taxable) UBIT.

### Business Interruption Policy

Accordia Insurance, your affiliate's carrier, should provide ample coverage for the ReStore. If additional coverage is required, refer to your CPA or HFHI staff attorney for instruction. A loss-of-income policy or business interruption policy is recommended over inventory insurance, to protect the net revenue in the event of a disaster. Some affiliates begin with liability coverage of one million dollars and increase liability coverage to three million.

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### **Business License**

A local business license may be required, but most ReStores need only a sales tax permit and I.D. number. It takes a while for state or provincial governments to issue sales tax I.D.s. Therefore, paperwork should be initiated as early as possible so as not to delay opening for business. ReStores must comply with all regulations regarding safety, fire codes, plumbing, electrical, parking and accessibility.

## Chapter 4: Advertising and Marketing

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### Advertising, Media and Community Relations

Effective advertising is crucial for a new ReStore. Think beyond advertising with just the name of the store. As soon as the local affiliate approves the ReStore, contact local media: television, radio, newspapers, building or home and garden journals. Give the media a one-page background sheet outlining your plans for a Habitat ReStore and request that they interview the point person for your ReStore. Emphasize the two sides of a ReStore and express the need for building materials and store equipment donations while welcoming the customer.

Radio ads may be very successful. Some ReStores have more than doubled their sales through radio commercials. Cable television ads are also a viable option. Austin ReStore has recently ventured into this market, buying commercials in bulk for as little as \$30 each; purchasing an effective campaign for \$2,800.

Newspapers are looking for an interesting angle—so consider new approaches. Newspapers are also an effective way of thanking donors for their contributions. Doing this will reflect the appreciative, nonprofit nature of the ReStore and encourage the mentioned donor to continue with donations while attracting more customers. Another way to say "thank you" is by hosting a dinner, dance or cookout. Although some ReStores question the ethics of spending donated money on food and drink for their donors, it may be a small price to pay for thanking the people that are the life-blood of the business.

Consider every opportunity to spread the services of the ReStore. Offer to speak at service clubs, societies and church groups. Even if business is not directly generated from the audience, it is free advertising.

Try to attract media coverage; make public service announcements; produce flyers to insert in local newspapers and place on car windshields; take out a want ad; print discount coupons in local newspapers and notices through the Internet. This campaign will begin to familiarize the community with the ReStore concept and will encourage donations. Don't forget to contact local builders, too. Begin with standard advertising, such as a ReStore flyer, and paint the logo or ReStore name on the store truck.

Note: Be aware of the effects of bad advertising. The San Antonio ReStore had severe repercussions from an article written about their store, when brand names were quoted at discounted prices. Some manufacturers were unhappy about being associated with low prices when they considered their product to be of high quality. This resulted in a loss of valuable donations from those manufacturers for several months.

### Web Site

The Internet may be one of the most effective means of advertising your services. If you do not have anyone on the team experienced in Web site design, then try to find someone, or contact local schools and suggest it as a tech student assignment. Refer to other affiliate Web pages for design ideas.

### Budgeting and Surveys

Three to nine percent of gross sales income may be allocated to advertising. Money spent wisely on advertising can generate the vital income needed to get the project off the ground. Too much spending on ineffective advertising can hurt overhead at a vulnerable time.

Establishing the most effective means of advertising for your area can be difficult. Consider compiling a

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short customer response questionnaire to ascertain what form of advertising is working best. Ask where the customer heard about the ReStore; what line of business they are in; how often they visit; how far they have to drive; would they consider donating items or do they know of a distributor who might do so; and do they have any suggestions for improving service. To encourage responses, offer a 10 percent discount on goods accompanied by a completed questionnaire.

See Appendix C for a sample customer survey.

### Best Practices

- Consider acquiring a well-qualified VISTA member or other volunteer to be solely dedicated to marketing/advertising campaigns.
- Get marketing ideas from Web sites.
- Plan a cable-access interview or consider buying TV commercials in bulk.
- Advertise on the side of your truck.
- Use sandwich-board advertising on sidewalk.
- Promote the store as a service to corporate donors.

*Be generous in presenting affiliate T-shirts and ball caps to corporate donors and to local artists that contribute to special sales and auctions; give contractors a framing pencil with your store name and phone number.*

- Create a list-serve for builder requests for specific construction items.
- Advertise that the ReStore pays 100 percent of the affiliate administrative costs, therefore all cash donations to the affiliate go directly to building houses.
- Remember, effective forms of advertising include word of mouth, billboard or other sign, print or radio.

Catawba Valley HFH (N.C.) professionally produced a commercial for a cable TV ad campaign to use later for commercial TV as a free public service announcement.



### Initially Stocking the ReStore

If an affiliate intends to operate a store that deals primarily in building materials, it should be called a Habitat ReStore. At first it may be easier to stock the store with mostly household goods—e.g., furniture and odds and ends. As the supply of building materials and good major appliances increases, the furniture and odds and ends can be phased out. For example, the Fort Worth ReStore netted \$9,300 the last year that it operated as a used furniture store. The very next year, operating as a full-fledged Habitat ReStore selling building materials, the store netted \$150,000. It is not unusual for a store in a metropolitan area to net \$10,000 the first year, \$150,000 the next, and to exceed \$200,000 by the third year of business.

The process of collecting building materials should begin as soon as a place to store items is found. The ideal place to store merchandise is obviously the building that will be the ReStore. But if a facility has not been secured, a temporary location is the next best thing. A barn, shed or a garage will suffice for storing materials, initially. As materials are collected, they may be categorized and stored in space that will not be part of the initial display area.

Display areas may then gradually be added and organized without disrupting existing merchandise. Obtaining and organizing enough stock for a presentable opening may take two to six months.

**Marketing for donations should begin immediately, but marketing for customers should begin no sooner than one month before opening.**

Remember, there is nothing worse than being short on inventory when you open to the public.

Canada HFH strongly advocates the idea that existing ReStores should share inventory with new stores to help them get started. Eventually, this may evolve into inventory trading between established stores.



### Material Transfers to the Local Affiliate

ReStores receive materials in two ways: through the Gifts in Kind department at HFHI or through their own material procurement methods. Special conditions often apply to goods received as a gift. Some donors specify that items are not to be resold but instead must be used in construction of Habitat houses. Donors may also apply restrictions to the resale of their merchandise. It is very important to clarify restrictions with every donor upon receipt of goods.

The purpose of any ReStore project is to support the affiliate. Therefore, if material comes in that can be used in construction of Habitat houses, it should be held for that purpose. It is advisable to log and price items to be held for the affiliate. For auditing purposes, the Austin ReStore has a logbook where the retail value of all items held for use in the affiliate construction program is recorded. This allows the ReStore to recount to the board the amount of material support contributed to the affiliate.

Establishing effective lines of communication between ReStore management and the affiliate is very important in determining the best use for donated materials. Handing materials straight over to the affiliate for use in construction may not always be the most resourceful way of working. If the money received through the sale of the donated materials would exceed the cost of buying the same material, it makes

## Chapter 5: Materials Procurement

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more sense to sell the material and forward that income to the affiliate. Determining the best use of goods requires communication between the ReStore and the affiliate.

### Items to Stock

Each affiliate store is unique in how it operates and in what materials it handles. Determining how to best stock the store will be a process of trial and error. The location, type of customer, stock turnover and market research will all help to determine what to collect. As mentioned above, selling furniture may be a good starting point, but most ReStores choose not to stock furniture or household items once they have a good supply of building materials. Resale stores or other Habitat stores may differ in the volume of household goods they choose to accept. ReStores, as a general rule, focus on used building materials and home improvement merchandise. Items such as clothes and toys are referred to local Goodwill stores. Establish a good relationship with Goodwill stores and attempt to not overlap with the services they provide. This way each party can refer business to the other.

Consider stocking the following building materials:

- Appliances—dishwashers, range tops, washer/dryers, ovens, refrigerators, microwave ovens, TVs, VCRs, stereos, answering machines.  
*Appliance sales vary from store to store. Some ReStores prefer not to deal with them at all, as it is difficult to determine if they work properly. However, stores that do sell appliances state that revenue from appliance sales accounts for up to 12 percent of gross sales.*
- Architectural items—columns, antiques, mantel-pieces, fireplaces.
- Bathroom fittings—tubs, sinks, showers, commodes.
- Doors—solid, hollow, storm.
- Cabinets and countertops—kitchen, bathroom.
- Electrical items—plugs, wiring.
- Fans.
- Flooring material—carpets, vinyl sheet and tile, hardwood/parquet, rugs, ceramic tile.
- Hardware—door handles, screws, nuts, bolts, nails.
- Lighting.
- Lumber—plywood, siding, trim, molding.
- Mirrors and glass.

*Some stores only accept framed mirrors and glass, others avoid it altogether, as broken glass and mirrors often cause accidents in stores.*



## Chapter 5: Materials Procurement

- Piping and plumbing—PVC, metal, copper.
- Roofing—shingles, metal sheeting, gutters.
- Tools—power and hand.
- Vents—floor, ceiling, return.
- Wall board and covering—sheet rock, mdf, paint, wallpaper.
- Windows—complete window unit, storm, screens, shutters.

Additional items to stock:

- Vehicles, bicycles.

*ReStores usually do not deal with vehicles because the cost to get them into good working order may be prohibitive. Bicycles are a possible exception.*

- Plants, garden items.

*If there is a suitable place to store plants and trees, and if there is a staff member to attend to them, these items may be profitable. Many local nursery or Home Depot stores, once or twice a year, donate various plants and trees by the truckload to individual ReStores. This has attracted customers very quickly. However, if the plants need to be cared for and do not sell quickly, or if there is nowhere to store them, consider having them delivered straight to affiliate construction sites during landscaping.*

*Home Depot stores may occasionally call when they have split bags of fertilizer or discontinued products. Be aware of possible hazards when dealing with garden (or other) chemicals. Some ReStores choose to avoid fertilizers altogether because of potential hazards.*

*Donated gardening tools are usually given straight to the affiliate for use in landscaping.*

- Furniture—Sofa beds, mattresses, love seats, arm chairs, dining chairs, occasional tables, book cases.
- Books.
- Wish list.

*Consider offering a wish list for customers as a record of items that they would like to purchase. Be sure to record the customer's phone number and the date of the request.*



Our Towns HFH is located in a college community and brings in about \$450 a month from the sale of books and magazines. Price books according to special categories. Cookbooks, for example, will sell for \$3 to \$5; magazines will sell for .25 cents and may come back for you to sell again.



# Chapter 5: Materials Procurement

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## Sources of Material Contributions

### Individual Homeowners

Most donations come from individual donors remodeling their homes. In some ReStores, this accounts for as much as 70 percent of donations. Keep this in mind when advertising.

### Conservation and Partnerships with Homebuilders

For every million persons in a metropolitan area, more than 250 houses worth of perfectly good building materials is thrown away each month by homebuilders. This waste constitutes far more houses thrown away than Habitat for Humanity builds. ReStores are out to change that. Most builders are charged tipping fees when they dump material in local landfills. The ReStore offers builders an opportunity to avoid disposal expenses while helping their neighbors—an offer that appeals to many of them.

It is of the utmost importance to build a good relationship with members of the local Homebuilders Association. Familiarize the association's leadership with the ReStore concept. Try to get them to adopt Habitat as their special charity. If a good connection with the Homebuilders Association is established, consider having a special event for them. One possibility is a Saturday barbeque with media coverage, live popular entertainment and a short speech. Get everything possible for the event donated, and don't forget to thank and promote your donors.

A much lower percentage of commercial builders' material is appropriate for ReStore use. Encourage their support and be selective.

### Home Improvement Retailers

Contact big building supply stores. Home Depot, Lowes and locally owned building supply stores have been a source of continual and substantial donations for ReStores. Possible problems with returns—where customers buy a product from the ReStore and try to return it to the retailer for full price—sometimes inhibits major retailers from making donations. To eliminate the problem and encourage retailer donations, ensure that the trade name and UPC on every donated item is defaced or removed. Some stores will do this prior to donating items.

To encourage donations, remind retailers that in the end they will benefit from projects begun with ReStore products. There are always new supplies necessary to finish remodeling jobs.

Large chain stores have a charity unit in every store. Habitat for Humanity and its ReStores are a great match for the goods and services they offer. These charity units are there to give back to their communities. Habitat can and does help them accomplish that mission in a very effective way.

### Manufacturers and Distributors

Manufacturers and distributors are sources that have been very productive for both Habitat affiliates and Habitat ReStores. Many have donated trailer truckloads of goods, including slightly imperfect, scratched, dented, outdated, overstocked or unpopular products and returned merchandise.

It is of the utmost importance that ReStores and affiliates adhere to conditions accompanying some

donations. **The donor may state that the donated building material is only for use in construction of Habitat houses and is not to be sold. Such requests must be honored.** Any misuse of donations or errors may have repercussions far beyond the local affiliate and ReStore.

### Trade Shows

Attending a trade show is a positive way of generating new business and approaching new suppliers. Booth space is sometimes donated. Good placement is important. Have two or more volunteers in the booth promoting the ReStore while two or three other volunteers visit every vendor in the auditorium, handing out business cards and making contacts.

### Deconstructions and Demolitions

Good used building materials can be salvaged through deconstruction and demolitions. One very popular way to salvage materials is by stripping out a building before demolition. To do this, make arrangements with the demolition company for a ReStore crew to come in before demolition. This is a great source of revenue, if done correctly. Some affiliates report that up to 10 percent of sales are generated from this kind of salvage.

Many ReStores devote a member of the staff to coordinate finding and obtaining materials from deconstruction or demolition sites. These individuals should be experienced builders capable of determining efficient methods of extraction, which items are reusable and which should be left. If the funds needed to employ the right person are not available, look into grant funding. For example, the Raleigh ReStore received a start-up grant of \$35,000 from the North Carolina Department of Environment and Natural Resources, Pollution Prevention Division, which renewed funding the following year in the amount of \$15,000. Other local foundations may provide grants in the range of \$10,000 for an affiliate's deconstruction program.

Environmentally, deconstruction is the best way to acquire building materials. The advantage of deconstruction is the ability to salvage nearly everything, while a demolition provides much less in comparison. Do what you can to help avoid demolition of older properties containing irreplaceable lumber. The greatest standing supply of old growth timber is in old buildings.

Typical recoverable goods from both deconstruction and demolitions include hardwood flooring, doors, windows, kitchen cabinets, shelves, expensive moldings, architectural elements, chandeliers, light fixtures, electrical control panels, tubs, sinks, lavatories, plumbing fixtures, copper tubing, small resalable plants and any other nonstructural items of value. With planning, an affiliate may arrange to auction off such items at the demolition site prior to opening a ReStore. Top bidders would then be responsible for dismantling and removing each of their purchases. In any case, remember to apply for demolition permits issued by the City Planning department beforehand.

Property for deconstruction can be found through various sources. Begin with contacting the state Department of Transportation since they sometimes need to tear down houses in the path of highway development. Real estate venture companies are also a good source because they often buy houses to be demolished in order to make space for new developments. Other possible sources include businesses, hotels or commercial properties clearing out to resell or rebuild, as well as railway companies that discard almost-new lumber used for blocking containers in railway cars. Obtaining materials damaged by smoke

## Chapter 5: Materials Procurement

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or water or recovered stolen goods from insurance companies is another source for consideration.

*See Appendix D for a sample liability waiver.*

### **Picking Up Goods; Avoiding Items that are Difficult to Sell**

The public may try to use the ReStore as a dumping ground for unwanted or damaged items. To avoid unwanted unloading of trucks (resulting in unusable items), post a sign stating that drop-offs are limited to store hours. A member of the ReStore staff should view any merchandise before it is left. If materials continue to be deposited after hours, consider installing a gate.

Items to be donated should be verified over the telephone with the donor before they are brought to the store. Before setting up an item for delivery, determine whether the cost of transportation will be excessive in relation to the value of the item.

*See Appendix E for a sample guide to phone screening material donations.*

Some ReStores prefer to pick up donations. Large retail suppliers will not always make deliveries to the store, so an efficient system should be set up for collecting materials. Some affiliates use Microsoft's Access program to record offers of donations, which lists the items and provides details regarding pickup locations. When picking up an item, it is the driver's discretion to accept it or not.

### Personnel

New ReStores usually run on a tight budget initially, so the majority of staff will be volunteers. However, it is important to have a core team of paid staff, consisting of a store manager, store supervisor and someone responsible for the collection and delivery of materials. Long- or short-term volunteers may fill financial, administrative, sales and marketing positions. One person may fill two or more positions until the store grows.

As the ReStore becomes established and profits increase, personnel may grow to six full-time staff, three part-time staff and seven or eight volunteers. The following are examples of a mature ReStore's personnel and their duties.

#### Store Manager

- Oversees overall management and decision-making.
- Directs operational planning.
- Oversees staff and volunteer recruitment, training and appreciation.

#### Product Procurement Manager

- Oversees all material retrieval measures.
- Coordinates promotion of the store.
- Develops a good working relationship with potential donors.
- Ensures availability of materials.

#### Store Operations Supervisor

- Oversees store design and layout.
- Oversees day-to-day operations.
- Ensures proper customer–staff relations.

#### Finance and Administration

- Maintains books and records.
- Manages office.
- Carries out inventory.
- Complies with legal and insurance requirements.

#### Advertising and Marketing

- Designs and distributes advertising and promotional material.
- Supervises non-retail activities.
- Develops new products.
- Builds public profile.

## Chapter 6: Human Resources

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### Materials Supervisor

- Builds donor base.
- Coordinates pickup schedule.
- Ensures timely collection of materials.
- Maintains proper client relationships.
- Coordinates salvage work and ensures staff safety.

### Volunteers

A ReStore's success often relies on the commitment of its volunteers. A good team of volunteers and a consistent working environment is critical for achieving best results. Remind each volunteer of how valuable and important they are to the ReStore operation. Think of ways to show appreciation. For example, the Raleigh ReStore presents volunteer awards to individuals for their work commitment to the ReStore. The Asheville Home Store fosters a friendly competitive sales environment by having different volunteer teams each day of the week, with a specific volunteer manager and a special team name for each group, such as "Harry's Heroes." Sales charts are posted and teams enjoy matching and beating other teams' sales records.

Volunteers must be regularly encouraged, supported and treated in the same manner as paid workers to avoid a sense of hierarchy among personnel. It is good practice for management to include each worker as a participant in decision-making; to keep each worker informed of financial and sales matters through regular meetings; to maintain good communication with all personnel; and to create a pleasant and fun work atmosphere.

Due to the AmeriCorps stipulation that volunteers cannot engage in fund raising, it is not possible to appoint AmeriCorps members to work with the ReStore, as it directly contributes to the funding of the affiliate. Alternative unpaid staff may include homeowners working sweat equity hours. Most affiliates with ReStores allow up to 25 percent of sweat equity hours to be completed within the ReStore. Other volunteers may include those on an early retirement program that requires them to contribute 10 hours of community service per month, or simply retired persons willing to donate their free time driving vehicles, doing clerical work or talking to donors.

### Best Practices

- Communication between the board and the store committee can be a challenge and can easily monopolize too much of the board's time. Set up appropriate personnel policies and chain of command.
- Hire a friendly and competent store manager.
- Expect the committee structure to change as the organization grows.
- Consider a store committee for resource development, donations and volunteers.

### Recruitment

- Recruit a different volunteer manager for each day of the week.
- Recruit someone to be responsible for volunteer scheduling.

- Recruit volunteers in one-on-one conversations.
- Recruit among your customers.
- Check into the Green Thumb program with the federal government.

### **Volunteer / Staff Appreciation**

- Make sure you have a friendly store manager. The importance of treating volunteers in a friendly manner cannot be emphasized enough.
- Make a point of personally thanking volunteers at the end of their shift.
- Give a 10 to 20 percent discount to all volunteers and staff.
- Allow volunteers to make suggestions for changes.
- Offer in-store credit for volunteer work.
- Make volunteers feel like part of the ReStore family.
- Provide a thorough recruitment tour and job orientation.
- Whenever an affiliate board member comes in, introduce every store volunteer.
- Have a clean break area with a refrigerator and treats.
- Give volunteers items that don't sell, for use in service projects.
- Present a hammer pin for 100 hours of volunteer service.
- Encourage store volunteers to attend house dedications and other special affiliate events.
- Have a printed policy manual and post it.

### **Community Service Restitution Volunteers**

Many affiliates work with community service workers assigned by the local parole office to carry out volunteer hours. Before taking on restitution workers, it is very important for an affiliate to establish guidelines regarding the types of criminal history acceptable for partnership. Offenders are usually first-time, small-crime offenders or individuals convicted of a DWI offense. Offenders typically serve 24 hours of community service. Seek advice from your legal department and from other stores who use CSRs before accepting CSR volunteers. Consider liability issues and delegate workers wisely. For example, a CSR with a DWI offense must not be given the job as pickup driver.

Community service workers have proven to be highly committed to ReStore projects. Some affiliates average about 20 to 25 workers a week—working hours to equal that of two and a half full-time employees. It may also be possible to recruit prisoners from minimum-security prisons to carry out major demolition work and strip-out jobs.

# Chapter 7: Daily Store Management

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## Hours of Operation

For a new ReStore, recommended hours of operation are 10 a.m. to 4 p.m., Wednesday through Saturday. Once the ReStore is established in the community, opening hours may be extended. Before adding hours, make certain that staff is prepared to handle the additional work load. Most ReStores find they need to be open at least one evening per week to accommodate shoppers who only have time to shop in the evening. When extending hours, keep in mind that it is better to be open for fewer hours to begin with than to initially overstretch and have to cut the hours down.

It is important to keep opening times consistent. The ReStore should be run as any retail business. Likewise, the ReStore should organize big sale days for holidays such as Memorial Day, Labor Day and the Fourth of July.

## Equipment Requirements

Funding will determine how much equipment you can afford to obtain. Recommended equipment includes:

- A two- or three-ton truck preferably with a hydraulic lift to move heavy donated and salvaged materials. A box van is preferred because it can be used in all weather and prevents people from attempting to buy material off the truck. Don't forget to advertise by painting the ReStore logo on the truck.
- A rail lift is preferred over a Tommy Gate—because it is safer to operate and greatly reduces the possibility of damaging property.
- Tools for salvage work.
- Shelving, racks, bins and other storage and display materials for the store interior.
- Computer, printer and all relevant software to carry out bookkeeping, accounting and auditing.
- Cash register and calculator.
- Office equipment, desks and chairs.

## Store Appearance

First impressions are extremely important. This is particularly true in the case of a Habitat ReStore. The store must be well organized and easy for the customer to navigate. Ensure that signs clearly indicate store stock. If a customer feels disoriented or overwhelmed by the quantity of stock they may get frustrated and leave. It is good practice to have a clearly designated sale corner placed near the entrance, providing the browsing customer with a first point of call. Be certain to clearly mark all items.

For interior layout ideas, visit similar building material stores. Professional advice for store layout may also be very beneficial.

# Chapter 7: Daily Store Management

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## Store Security and Safety

### Building Security and Maintenance

Lock the store and arm the alarm each night. Park the truck in a designated space and keep the keys in the office. Padlock the back gate and storage shed each night. During store hours, the fenced area for tools should be kept padlocked to prevent access by customers.

### Personnel Security

If your store is large enough and warrants such measures, consider installing remote security buttons. Locate one in or near the top drawer of the register and the other in the back office. Any staff member alone in the store should wear one around their neck for safety. If pressed, a silent alarm will go out to the police station and officers will be dispatched to the store.

### Preventing Shoplifting

Shoplifting is going to happen. Investing in a pricing gun is money well spent, because the labels are difficult to remove. On appliances you may use a special price tag. Put two tags on each high-priced item or use a pricing system of descriptive tags. Use a string tag with the store name and an item description for anything valued at \$10 or more.

Good customer service and plenty of volunteers helping customers prevents shoplifting.

When people hide something inside something else, don't say anything, just ring it up with the other items.

### Safety Procedures

Due to the nature of ReStores there are many potential hazards that could cause injury to both staff and customers. Items that have been removed from demolition sites may have nails in them or may have sharp edges. Some items aren't worth accepting due to the risk of harm. Most ReStores have opted against unframed mirrors due to the risk from broken glass. Remind parents to supervise their children and post signs indicating potential dangers within the store. Post a sign in the paint area directing customers to bring paint cans to the counter where a ReStore staff will open the cans. This will avoid spills and subsequent floor hazards. "Caution," "Wet Floor," "Work Area" and "No Admittance" signs are recommended.

Deal with hazards as soon as they arise. Ensure staff, volunteer and customer safety. The store environment must be kept clean and free of dangerous obstructions. Any spills or broken items should be cleaned immediately. Sharp-edged items (including cutlery) should be kept well back on shelves and out of reach of children. Keep walkways accessible for handicapped customers. No items are to be placed in front of fire doors. Warehouse safety requirements prevent customer access to power tools; requires that a forklift is not to be operated while customers are present; and requires that ladders are not to be used without assistance. Only insured and trained employees and volunteers may operate the truck. Be proactive about health and safety issues and make a point of checking the store daily for hazards.

## Chapter 7: Daily Store Management

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### Accidents

Any accident involving the store, its employees or vehicles, should be reported to the store manager or executive director immediately. Complete an incident report form if there is property damage or personal injury, and notify the insurance carrier. No employee or volunteer should promise anything or accept responsibility for damages on behalf of the store or the affiliate. All media inquiries should be directed to the executive director.

### Severe Storm Preparedness

In the event of a hurricane warning or other weather hazards, scheduled staff should report to work to prepare the store prior to evacuation. Preparations can be made earlier if warranted. All outside merchandise should be brought inside the building and all doors secured. The truck should be moved away from the building. All awnings should be removed from the building and stored inside. In case of evacuation, each employee should notify the store manager of an emergency number where they can be reached. If there is no damage, regular business hours will resume after the evacuation order is lifted.

### Compliance with Building Codes

To comply with building regulations, used building materials must not be used in construction as a structural component. Outdated electrical fixtures, etc., are often not usable. Customers should always be advised of building regulations through clearly marked signs in the store and instructed to check with their local municipal building inspector for specific details regarding used building materials in construction and renovations.

## Pricing, Sales and Return Policy

### Pricing Policies

Determining prices can be a difficult task. Refer to major building retailer catalogues. The general consensus is that items should be sold at 50 percent of retail price. High demand items may be priced a little above 50 percent of retail. Items with potential antique or collectible value should be held until appraisal or research can be done.

Items awaiting prices should be held in the pricing room or storage shed, off-limits to customers. Merchandise should never be sold "off the back of the truck." Pricing should be done in an area closed to customers.

*See Appendix F for a sample pricing guide.*

### Haggling

Be prepared for hagglers. Negotiating prices is at the discretion of each store, but it may be better not to get a reputation for bringing prices down, as regulars will persist in expecting this each time they return. Some affiliates will consider bringing the price down if the item has been in the store for a while. Exceptions may also be made for customers purchasing a large quantity of items. Some ReStores give customers who are consistent purchasers—e.g., landlords—a 10 percent discount. This may be a good

## Chapter 7: Daily Store Management

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policy for new ReStores establishing a customer base.

One Dallas ReStore staff member suggests that the key to a successful store is a relaxed shopping environment and that a degree of flexibility in price negotiation increases good customer relations.

Discounts to Habitat partner families, affiliates or other nonprofits may be given at the individual ReStore's discretion. ReStores have to work out their own methods of supporting other nonprofit organizations and partner families.

It is important to remember that a ReStore is not driven by competition but is there to serve and support. Even so, each ReStore needs to carefully assess how much they can afford to give without jeopardizing the future of the store. Austin ReStore offers a 25 percent discount to partner families and a 30 percent discount to nonprofits associated with affordable housing. Some stores feel it is good public relations to make furniture donations when formally requested to do so by an emergency assistance organization.

*See Appendix G for sample cashier/sales counter job responsibilities.*

### Returns

It is perfectly acceptable to have a no returns policy. It is at the discretion of each ReStore to decide policy in this regard, but the general consensus is that store credit should be offered instead of refunds. One simple reason for this policy is that the type of goods that are being sold are used, so a person could easily put a price tag on an item of their own and ask for a refund, claiming it has been bought in the store. If the return policy is clearly posted and explained to customers, the policy is usually readily accepted.

The Winnipeg ReStore has a 30-day return policy for store credit, excluding appliances. For appliances, there is a seven-day money-back guarantee if there is a problem with the appliance. The Dallas ReStore adheres closely to the policy of accepting returns within 14 days of purchase and only if there is a receipt; and again, only store credit is given. Some stores will give credit on items returned within 30 days.



### Holding Goods

Policy for holding items varies from store to store. Some stores will hold an item for 24 hours. After this period they charge two dollars a day. If the customer does not return within seven days, they are called and asked to pick up the goods and advised that if they do not the items will be circulated back into stock without refund.

### Data Security / Access

Typically, only the store manager and office manager have access to the store's accounting software. All blank checks should be kept in a safe, and no employment records or payroll information should be kept in the store. All bank records, past invoices and monthly sales reports should be stored indefinitely in attic storage. Backup copies of all records should be made weekly and sent to the affiliate office.

## Chapter 7: Daily Store Management

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### Credit Card / Debit Card

In today's cashless society ReStores need to offer the convenience of credit and debit card payment. The ability to buy on credit increases sales, sometimes warrants the item through the credit card company, and reduces returned-check fees and other bank fees.

### Additional Services to Offer Within the Store

Once the ReStore is fully established, new opportunities for service can be explored to provide additional income during off seasons. Often, it is added services that keep income flowing through the ReStore when material or customer traffic is low. Choosing the right service to offer the community will require research.

If you do not have the resources or staff to provide additional services, but have the space, consider offering vacant space to professionals. They may conduct their service while providing a small percentage of their income to the ReStore. The increased traffic will benefit the ReStore.

### Potential Additional Services

- Reuse old carpets and sono tubes to make cat scratchers that can be sold to veterinary clinics and pet stores.
- Construct simple rabbit hutches from reclaimed timber and chicken wire.
- Create a picture framing service, using the front panel of old cabinet doors as frames.
- Glass cutting.
- Paint mixing.
- Windowbox dressing.
- Tool rental.
- Bicycle repair.
- Key cutting.
- Cut scrap lumber (untreated) and sell as kindling/firewood.
- Construct furniture from old lumber.

Successful ReStores recognize the services that they may offer to the community beyond the core function of the ReStore. These additional services and charitable gestures help improve relations within the community, encourage word of mouth advertising and open possibilities for further ventures.

### Best Practices

- Build a reputation for being a friendly store.
- Have a well-scheduled, respectful pickup policy.
- Make sure people know the store is a Habitat outreach ministry; use Habitat signs, posters and brochures around the facility.
- Prominently display bikes and other attention-grabbing items, to move them quickly.
- A clean store increases sales and makes shoppers feel inventory is more valuable.

## Chapter 7: Daily Store Management

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- Shoppers enjoy using shopping carts and baskets, so make these available.
- Don't make the store too neat—keep it "shop-able," and keep later hours if possible—24 percent of sales occur between 4 and 5:30 p.m. in some stores.
- Have half-price anniversary sales.
- Decorate store walls with homeowner children's artwork.

It cannot be emphasized enough that communication is the key to any new or mature business. For a new store, it is important to know when to ask for help. Approaching groups or organizations that have been through similar experiences will usually save valuable time and resources.

If things do not go according to plan or your project falls at the first hurdle, just get back up and start from where you left off. And again ask for help. If you do not get the right answers, keep asking. If possible, visit an established ReStore to witness firsthand the general operational system of the store and the way they advertise, organize special events and coordinate material pickup, etc.

PartnerNet (<http://partnernet.habitat.org>) is a good resource for nearly any ReStore-related question. Most Construction and Environmental Resources department documents can be found there. Also, visit PartnerNet's "Round Table"—a discussion forum where individuals may post questions and answers regarding ReStore operation and materials or other subjects.

As your ReStore develops, providing information to other ReStores is crucial. Everyone is helped if successful ReStores post important documents on PartnerNet, such as business plans, budget plans, manuals or any literature that will aid the management of a ReStore.

Thank you for your interest in Habitat's ReStore program. All the best in your venture to ReStore success!

The following samples are provided as a courtesy from Austin HFH ReStore. Some have been edited to serve the purpose of informing a more diverse audience.

### **Job title: ReStore director**

Reports to: affiliate executive director

The Habitat ReStore is a division of Austin Habitat for Humanity. The ReStore mission is to generate revenue through the sale of donated and reclaimed building materials and related household articles to support the activities of AHFH.

The director of the Habitat ReStore is responsible for the day-to-day operations of the ReStore and for formally representing the ReStore at public and community events. The director also represents Habitat ReStore at various social and organizational functions within Habitat.

ReStore director responsibilities:

#### **Policy and Planning**

- Develop and recommend policy for sales, salvage, material acquisition and staffing.
- Assist in development of marketing and advertising strategy for ReStore which is integrated with the overall AHFH marketing and advertising strategy.
- Participate with the human resources committee and volunteer coordinator in developing training strategies or plans for staff and volunteers.
- Develop and maintain positive ongoing relationships with volunteers, material donors and community service organizations.
- Monitor competitive merchandise market environment (pricing and practices).
- Develop an advertising and promotion plan.
- Participate in the development and implementation of short- and long-term strategies, goals and objectives.

#### **Supervision and Support**

- Supervise activities of operations manager, deconstruction project manager, office/clerical staff, driver, volunteer coordinator and counter sales assistant.
- Provide support, guidance and encouragement to staff and volunteers.
- Facilitate a positive team-oriented environment in which all staff and volunteers are given the opportunity to achieve their full potential.
- Address and document violations of the core values and code of conduct by staff and/or volunteers. Situations involving volunteers are to be resolved in consultation with the volunteer coordinator. Director refers and recommends action regarding chronic or serious situations.
- Maintain efficient and effective day-to-day operation.

## Appendix A: Job Descriptions

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- Maintain good working relationship with donors, suppliers, homeowners, staff and volunteers.
- Handle grievances involving staff, customers or volunteers.
- Ensure proper maintenance of facility, equipment and vehicles.
- Maintain up-to-date files regarding trades, contracts.
- Develop and maintain a comprehensive operations manual.
- Work in conjunction with the executive director regarding staffing issues—i.e., hiring, disciplinary action, dismissal procedures.
- Evaluate staff performance in accordance with job descriptions.

### Reporting and Communications

- Monthly reporting of sales activities, expenses, progress on current and prospective projects—including upcoming public relations activities—for inclusion in monthly board of directors information package.
- Ensure that executive director is informed on a regular basis of progress and problems with projects.
- Ensure that safety and accident incident reports are prepared on a timely basis.
- Ensure that staff meetings are held on a regular basis; convey relevant issues/concerns to executive director.
- Develop written proposals for salvage material recovery projects (deconstruction).
- Maintain ongoing communications with suppliers, recycling and community organizations.
- Work with volunteer coordinator in recruiting, training and retaining volunteers.

### Required Skills / Experience

- Self-motivation.
- The ability to provide direction in a positive and affirming manner.
- Tact and diplomacy.
- Knowledge in sales, marketing, salvage and environmental areas.
- Ability to supervise volunteers and staff with a wide range of skills and abilities.
- Effective time management and organizational skills.
- Effective written and oral communication skills.
- Ability to adapt to a changing environment and unexpected shifts in priorities.
- Knowledge of labor relations policies and guidelines.

### Job title: ReStore manager

Reports to: ReStore director

The ReStore manager is responsible for daily management of the warehouse, building materials and retail operation for the direct support of ReStore goals and mission.

ReStore manager responsibilities:

### **Supervision**

- Supervise ReStore volunteers and community service volunteers.

### **Finance and Administration**

- Implement and monitor systems for daily cash transactions and deposits.
- Assist the director in achieving operational and financial goals.
- Familiarization with the ReStore operating budget; working in conjunction with the finance committee to implement and maintain personnel policies approved by the board of directors.

### **Operations and Sales**

- Implement daily operations procedures.
- Serve as co-chair of the operations committee.
- Implement customer service procedures.
- Operate basic computer applications, including word processors, spreadsheets and databases.
- Operate office equipment, including answering machines, copiers, facsimiles, telephones and calculators.

### **Volunteers and Staffing**

- Create volunteer job descriptions in conjunction with the volunteer committee.
- Coordinate and supervise the training of volunteers.
- Create volunteer schedule.
- Supervise the placement of volunteers.
- Miscellaneous.
- Communicate with the appropriate committees.
- Attend the appropriate committee functions.
- Understand local ReStore policies and procedures.
- Understand HFH construction materials and needs.
- Communicate effectively, both written and oral.
- Maintain effective working relationships with staff, volunteers, Habitat homeowners and the public.

### **Qualifications**

- High school degree or equivalent.
- Degree from an accredited college or university.

### **Work Experience**

- Minimum of five years' work experience, with at least two years in retail sales management.

# Appendix A: Job Descriptions

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## Physical Requirements

- Ability to lift 50 pounds.
- Ability to spend the majority of the day standing or moving about store.

## Language Skills

- Bi-lingual Spanish and English preferred. English speaking with basic conversational Spanish skills as a minimum.

## Job title: donation pickup driver

Reports to: operations manager

The donation pickup driver provides overall leadership to assistant drivers and volunteers.

Donation pickup driver responsibilities:

## Supervision

- Supervise assistant drivers and volunteers.

## Other duties and responsibilities include, but are not limited to, the following:

- Screen for product usability.
- Communicate with receiving personnel regarding nature of shipments.
- Schedule pickups.
- Return donor calls.
- Organize pickups by location/area.
- Occasionally supervise community service workers.
- Coordinate/cooperate with volunteers, making their experience meaningful.
- Drive Habitat for Humanity vehicles to pick up donated goods.
- Perform minor maintenance on ReStore vehicles (oil change, tire inflation, etc.).
- Load all materials; unload when necessary.
- Perform all other duties and tasks as assigned.

## Qualifications

- Requires a high school diploma or equivalent. Must have experience in driving commercial truck or towing trailers. Requires a good driving record. Must possess some automobile mechanical aptitude.

## Physical Requirements

- Must be able to lift up to 100 lbs., stand, squat, bend, and climb in/out of truck.

*This tells your audience who we are, what we do and how the ReStore fits into the bigger picture.*

### **Introductory Letter**

Habitat for Humanity is people working together to eliminate poverty housing. It is a project that builds hope by helping people to help themselves. More than \_\_\_\_\_ dwelling units in \_\_\_\_\_ are substandard. Many of the families that live in them are caught in a cycle of poverty. Some have given up the struggle, and with it hope. But many continue to work in hope of breaking out of this vicious circle.

Habitat believes that the poor are in need of affordable housing and building materials, not charity, for hope and personal dignity to become a reality. Habitat builds houses by soliciting funds and usable building materials from the private sector, and homeowners pay for their houses through long-term, no interest mortgages. In addition, current homeowners contribute to the good of Habitat by committing themselves to "pay back" the volunteers that built their house by volunteering to help build future Habitat houses.

In order to acquire necessary building materials and capital to meet its goals, Habitat is preparing to embark on a new venture—a building materials recycling center called the Habitat ReStore. Patterned after successful projects in other U. S. cities, the Habitat ReStore will offer a service that will save usable materials from the landfill while providing these materials to the public at a fraction of their retail price. In the end, the Habitat ReStore will benefit low-income homeowners, building materials donors and the environment.

To help our Habitat for Humanity affiliate determine the viability of establishing a clearinghouse for used and surplus materials, this study has been commissioned to develop portions of a business plan and to develop a survey to estimate the local renovations market. The information obtained will be used to evaluate potential sales of used and surplus building supplies in \_\_\_\_\_ as well as possible sources and volumes of donations.

## Appendix B: Business Planning

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*This is written after research, gathering and assimilation of data. It reveals market characteristics, the viability of and support for your venture.*

### Executive Summary

The home renovation industry in the United States is strong and growing. For the past eight years residential renovation expenditures have exceeded expenditures on new housing. The U.S. renovation market is currently estimated at 28 billion dollars annually. The \_\_\_\_\_market is proportionally estimated at \_\_\_\_\_million dollars annually. Growth for the next decade in the building materials market is estimated to grow at a rate of about \_\_\_\_percent annually.

Although there are innumerable firms competing in the industry, the Habitat ReStore will face limited direct competition. Currently, salvage companies, garage sales and newspaper want ads are the only sources of used building materials.

Because the Habitat ReStore must use marketing techniques to acquire and sell its inventory, the marketing effectiveness of the organization will be crucial. The Habitat ReStore will target its selling efforts at low-income housing residents, contractors doing repairs in low-income areas, do-it-yourselfers, landlords and community and charitable organizations. It is estimated that in the first year the Habitat ReStore will sell \$\_\_\_\_\_worth of material (priced at 30 to 50 percent of retail) to these groups while the Habitat house-building projects will consume another \$\_\_\_\_\_(retail value) worth of inventory.

It is believed that sales will grow at a rate of at least \_\_\_\_\_percent during the first couple of years.

In order to meet these first-year sales projections, the Habitat ReStore must collect \$\_\_\_\_\_ (retail value) worth of building materials from manufacturers, contractors, homeowners and others.

If the Habitat ReStore is free-standing (buys all of its plants and equipment; pays all employee salaries), expenses for the first year are projected to be \$\_\_\_\_\_.

As long as the Habitat ReStore can secure adequate financing and create a management team that focuses on breaking into the building materials market, we feel that the Habitat ReStore can be a viable, highly successful business venture.

## Appendix C: Customer Survey

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*(Please check all boxes that apply)*

1. How did you hear about the ReStore?

- Newspaper    Radio    TV    Friend  
 Other \_\_\_\_\_

2. What did you appreciate most about your shopping experience?

- Price    Quality    Volunteers and staff    Convenience    Atmosphere  
 Selection    That the money goes to a good cause  
 Other \_\_\_\_\_

3. What did you appreciate least about your customer experience?

- Price not readily available    Not enough selection    Checkout lines too long  
 Lack of customer service  
 Other \_\_\_\_\_

4. Were the staff and volunteers helpful and courteous?

- Yes    No

How can we be more helpful? \_\_\_\_\_

5. Would a delivery service be helpful to you at a fee?

\$25 (Austin area only)    Yes    No

\$50 out of area?    Yes    No

Comments \_\_\_\_\_

6. Our store hours are 10 a.m. to 6 p.m. Tuesday through Friday, and 8:30 a.m. to 6:00 p.m. on Saturday.

Are these hours suitable to your needs?    Yes    No

What hours would be more helpful? \_\_\_\_\_

7. Please give us any other comments regarding how we might improve our service to you.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## Appendix C: Customer Survey

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8. Would you like to learn more about:

- [Affiliate name] Habitat for Humanity house-building program
- Volunteering
- Corporate donations/sponsorships

9. Would you like a follow-up phone call?       Yes       No

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone: Daytime \_\_\_\_\_ Evening \_\_\_\_\_

*Thank you for your input. Your patronage is appreciated.*

Please fax or mail the survey in the self-addressed stamped envelope.

Thank you for your support!

### **Release From Liability Waiver: Assumption of Risk Agreement**

Building construction is a dangerous occupation. Even professionals suffer occasional injury. Workers compensation rates for paid construction workers are very high. But as a volunteer, you are not covered by workers compensation insurance, nor does Habitat have liability coverage for injury of volunteers. We ask that all volunteers accept full responsibility for their own safety.

#### **For Minors**

I am giving permission for my dependent(s) to work on a Habitat work site and/or ReStore.

#### **Waiver of Liability**

(To be read and signed by all persons intending to do volunteer work for Austin Habitat for Humanity, Inc.)

I acknowledge that I or my dependent(s) has voluntarily applied to participate with Austin Habitat for Humanity, Inc., without pay as a volunteer and not as a consumer in the construction and other activities in Austin, Texas. I understand that these activities are not conducted in the lease or sale of goods or services.

I or my dependent(s) am/are aware that construction is a hazardous activity. I am voluntarily participating in the activities of construction, which include, but are not limited to, the construction of residential buildings, loading and unloading materials, painting, finishing, framing, transportation to and from building sites, and other related activities, with the knowledge that medical facilities may not be available in the event of illness or injury to myself. This release is intended to be broad in its effect. I hereby agree to accept any and all risk of injury, illness or death, and verify this statement by placing my signature below.

As consideration for being permitted to participate in these activities and use their tools and facilities, I hereby agree that I, any assignees, heirs, guardians and legal representatives will not make a claim against, sue or attack the property of Habitat, its directors, officers, agents, employees, volunteers, suppliers, contractors or subcontractors for injury, illness or damage resulting from negligent, intentional or others acts. I hereby release Habitat from all actions, claims, or demands that I, or my representatives, now have or may hereafter have, for injury, death or damage resulting from my participation in Habitat activities.

I or my dependent(s) have carefully read this assumption of risk, release of Habitat and agreement and I or my dependent(s) fully understand its contents. I am aware that this is a release of liability and a legal contract between myself and Habitat and that it effects my legal rights. I am signing this document of my own free will.

I understand that Austin Habitat for Humanity, Inc., cannot be liable for any injuries or illness that I or my dependent(s) may suffer. I expressly waive any such claim for compensation or liability on the part of Austin Habitat for Humanity, Inc., beyond what may be offered freely by the representative of Habitat, Inc. in the event of such injury or medical expense.

# Appendix D: Release Waiver

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In case of emergency please contact:

Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone: Home \_\_\_\_\_ Work \_\_\_\_\_

Print Name \_\_\_\_\_

Print Group or Organization Name \_\_\_\_\_

\_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Signature of Parent (if minor) \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip Code \_\_\_\_\_

Phone \_\_\_\_\_

## Appendix E: Phone Screening Material Donations

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Successful screening of donations involves two factors of trust:

1. A donor's honesty and good nature, which are immediately taken as a given;
2. Our ability to ask the right questions to get the information necessary to make an informed decision.

Being specific is crucial to making this a pleasant experience for all involved. Begin by asking general questions, then get more specific.

Take your time, be friendly and polite, but also be firm about getting the needed information. Do not become bullied by or impatient with people who become frustrated with your "twenty questions."

Take the following steps when someone calls with a donation of goods to be picked up.

Step 1

Find a donation slip (usually near the phone by the register or on top of the staff mailboxes) and write down the person's name and the complete address from where donated items are to be picked up.

Step 2

Check to make sure you have the following information:

- Correct street name and number. Ask the caller to repeat or spell it for you.
- Zip code. This can clear up a lot of confusion with regard to addresses and streets that happen to have the same name but are in a different area of town.
- Major cross street. This does not have to be anything very specific.
- Phone number(s). Get a home and work number. This is crucial to ensuring a prompt return call and scheduling the pickup. If you have time, write down hours when they may be reached at these numbers.

Step 3

Determine what is being donated. It is important to discover the nature of the item(s) to be donated before committing time and money to a pick-up.

- What is it?
- How many?
- How big are they?
- How old?
- Can it/they be easily moved outside for pickup?

Explain that our driver will exercise his/her discretion and that the final decision for acceptance of an item is subject to the driver's approval at the time of pickup.

There is no way to ask all of the right questions about every item, but here are questions to ask for certain types of donations.

### Doors

- Wood—is there any rot around the edges?
- Metal—are there any dents in the face of the door?
- Is hardware (knobs, hinges, locks, thresholds, etc.) included?
- Are the doors scratched?

## Appendix E: Phone Screening Material Donations

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- Are there holes anywhere on the face of door?
- Is the jamb included?

### Windows

- Wood or aluminum?
- Any rot or loosening of the frames?
- Is it a whole unit, or pieces?
- Cracked panes?

If there are a large number of windows at the donation site, inspect them individually.

### Lumber

- What is the size and dimension?

If the wood is described as "miscellaneous" or "scrap" or something to that effect, determine if any is of usable size.

### Carpet

- How old is the carpet?
- Is it stained?
- Does it have an odor?
- Is it rolled up and ready for pickup?

The first two questions are the most crucial, after determining the size and number of rolls to be donated. If the carpet is more than ten years old or the owner had pets, refuse it.

### Appliances

- Does the appliance work?
- Are any pieces missing?
- Gas/electric?

Like carpet, question the age and condition. Anything more than five years old is questionable—unless antique. There will be a few calls for thirty- to forty-year-old items. If clean and operable, definitely accept them.

### Wiring, Lighting and Electrical fixtures

- How many items?
- Do they work?

Frayed, old wire is unacceptable. Florescent lighting must not have PCBs. Ask the donor to check the fixture for a label—which is usually found inside the metal housing on the fixture ballast. Request that all breakable items—lightbulbs, light globes, etc.—are placed in a box for transport.

## Appendix E: Phone Screening Material Donations

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### **Sinks and Tubs**

Cast iron sinks or tubs must not be scratched on the inside of the basin or the edges. Refuse them if there are chips or rust around the drain holes.

### **Plumbing Fixtures**

Pipes are problematic and people often do not know what they have. Old, rusty pipes or pipes with corrosion should not be accepted.

### **Flooring**

- Linoleum, wood or tile?
- Is it new or used?

Used ceramic or parquet wood tile is difficult to work with. Spare, new tile or wood is preferred. Most used flooring materials are not reusable.

### **Other Items**

Accept all saleable items—e.g., jacuzzi tubs, children's playground equipment, space heaters, water heaters, banister spindles, burglar bars, furniture, gardening equipment, storage sheds (disassembled), welding equipment, hardware tools, house wares, dishes, mini-blinds (no aluminum or vinyl), cornices and drapes.

Work to ensure that items are usable and worth picking up.

### **Final Words**

The donation pickup service is one of the most critical stages in the ReStore's overall mission. Systematic and appropriate phone screening is crucial. We must be polite yet firm in our screening process to be certain that items are worth our efforts. There will be instances when items are picked up and are not saleable; but occasional mistakes are not entirely a loss when donors are left with a favorable impression of the organization and what we do.

# Appendix F: Pricing Guide

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Determining prices for donated items can be a challenge, and prices may vary according to location. The following guide developed by a successful ReStore may be useful for establishing prices for typical ReStore items.

## Lumber

There should be per foot or per square foot prices listed on signs in the lumber section for customers and posted near the register for the cashier's use. Go by the board or trim length, or overall area for sheet material. For instance, 2"x4" lumber is 20 cents per foot; so a 10-foot length will cost \$2.00. A whole sheet of masonite is \$4; so 1/3 of a sheet is \$1.34.

## Carpet

- \$2 per square yard for used carpet; \$3 for new
- Measure square feet by multiplying length by width
- Divide by 9 to get square yards
- Multiply by 2 (\$2) or 3 (\$3) to get the price
- Linoleum and new carpet are \$3 per square yard

## Tile

- Price per tile or box

## Paint

- \$5 per gallon of standard paint
- \$2 per quart
- \$1 per pint
- \$20 per 5-gallon

## Wallpaper

- \$5 per roll; \$1.50 per border roll

## Electrical

- Switch plates
  - ▶ Single plastic/.15
  - ▶ Single metal/.25 and up
  - ▶ 2- or 3-gang, plastic/.20
  - ▶ 2- or 3-gang, metal/.50 and up
  - ▶ 4-gang, plastic/.25
  - ▶ 4-gang, metal/.75 and up
  - ▶ Special or decorative priced as marked
- Single outlets and switches/.25

- Bulbs
  - ▶ Florescent/.75
  - ▶ Regular/.25
- Florescent light fixtures
  - ▶ 1 bulb/\$2 and up
  - ▶ 2 bulbs/\$4 and up
  - ▶ 4 bulbs/\$5 and up

### Other Items

#### Blinds

- Metal or vinyl/\$3
- Wood/\$10 and up

#### Screens

- 3'x3' or smaller/\$2
- Larger than 3'/\$3
- Wood frame/\$5
- Passage knobs (door knobs w/latch)
- With key (used)/\$5
- Without key (used)/\$2.50
- With key (new)/\$7.50
- Without key (new)/\$5

#### Countertops, Per Linear Foot

- New \$3; used \$1.50

#### Cabinet Doors

- Veneer/\$2
- Wood/\$5

#### Air Conditioning and Heating Registers

- Used/\$2

#### Cabinet Door Pulls and Knobs

- Used/.50

#### Door Plates

# Appendix F: Pricing Guide

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- Used/.25

## Shower Doors

- Used/\$8 per set

## Pricing Reference

When you have questions—and they do come up regularly—refer to the Home Depot catalogue or the volunteer guide.

## Educated Guessing

Sometimes things fall through the cracks and arrive at the counter without a price. Learn to use common sense to price items on the spot. By becoming familiar with the standard prices listed above and getting good at evaluating the condition of an item, you can come up with a closer than "ball park" figure that will be fair to both the ReStore and the customer. The more hours you spend at the register, the more confident you will feel pricing smaller items yourself.

### Remember:

- Be fair, but be firm.
- Remember that our general rule is to charge 50 percent of retail.
- A staff member should price larger items such as cabinets and appliances.
- If there is a question, refer to the pricing guide.
- If you have no idea what an item is, ask the customer.
- If a customer points out damage to an item, be aware that this was probably taken into account when it was priced by receiving. Check with a staff member before lowering the price further.

# Appendix G: Cashier/Sales Counter Responsibilities

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As cashier you will not only be working the register, you will be asked many questions by customers. The following will help guide you through the procedures for which you are responsible; will help you decide when to pass on questions or responsibilities to other staff; and will give basic tips on common situations that arise for the cashier.

## Cash Register

Let a staff member show you how to run the cash register, but refer to this guide if necessary. Enter the cash amount of an item, followed by its category.

### Categories

- Flooring/carpeting
- Plumbing/fixtures (pipes and parts, sinks and tubs)
- Electric/lighting
- Roofing
- Misc. (use this category as little as possible; find the closest other category)
- Doors/frames
- Lumber/trim/drywall
- Cabinets/countertops
- Hardware (includes vent material, hardware for blinds)
- Windows/screens (wood blinds)
- Appliances (does not include ceiling fans, which go under electric)
- Tile/brick (includes grout and mortar)
- Paint/wallpaper (glue), varnish and caulk

All promotional items have a special key on the register. Promotional items are those purchased by the ReStore rather than donated, and therefore they need to be inventoried separately.

For more than one of the same item, enter the number of items; then hit the *X* (multiply) key (the reverse order will not work); then enter the price of one item and the *Category* key.

After all purchases are entered hit the *Total* key. This will give you the total price plus tax.

If the customer pays cash, enter the amount of cash given and then press *Cash*. The read-out will tell you the amount of change due back. If the customer gives exact change there is no need to enter the amount. Just press the *Cash* key and put it in the drawer.

Bills of \$50 or more should be placed under the drawer, to the right side.

## Checks

Ask for a driver's license. Circle or write the license number, along with the phone number and date of birth on the check.

## Appendix G: Cashier/Sales Counter Responsibilities

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Every check over \$100 has to be called in to the bank and verified.

For business checks, take the I.D. of the person making the purchase and write their name, license number, and date of birth on the check. Record personal and business phone number as well.

A list of bad check writers is posted on the register. Refer to this.

Oversized checks may go under the drawer to the left side.

### Credit Cards

Sweep the card through the machine to check for validation. If card does not sweep, press the *Sale* button (top left corner), then enter the number manually.

Enter the amount and press *Function/Enter*.

Have the customer sign the duplicate forms.

Press the *Charge* key on the register to open the drawer.

Give customer the yellow copy with their receipt (stapled together) and put the white copy under the drawer to the left side.

### Errors

Any mistakes entered BEFORE hitting the *Total* key can be cleared by hitting the *Clear* key.

Any mistakes entered AFTER hitting the *Total* key but BEFORE hitting the *Cash*, *Check* or *Charge* key may be cleared by hitting the *Cancel* key.

Any mistakes discovered after a complete transaction must be voided by a staff member/supervisor.

### Entering Money Received

Enter the amount, punch the *Received Account* key, then hit *Cash*.

Put the money in the drawer. Rolls of coins go in the full left compartment.

Put the cash register receipt in the far left change drawer compartment.

### Tax Exempt Status

If a customer tells you they are tax exempt, ask the name of the business or organization and check to see if it's listed on the tax I.D. Report kept under the counter. If they are not, give them a tax exemption certification form to fill out in the folder with the tax I.D. list.

If the customer has filled out a form already but does not appear on the tax I.D. report, the info may not have been entered in the computer yet. Check to see if the filled out application is in the folder tax I.D. list, or if the customer has signed the "No Tax" sales list previously.

# Appendix G: Cashier/Sales Counter Responsibilities

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Ring up the sale as a normal transaction, but after entering *Total* hit the *No Tax* key and hit *Total* again. The no tax price will appear on the read out.

The new filled out exempt form should be filed in the in-box (to be entered in the computer).

Ask the customer to sign the sheet kept with the "Tax Exempt" list, filling out the date, business name and amount, and leaving a signature.

## Petty Cash Can

*Note: Check with your CPA regarding the following policy.*

If the total price of an item is \$3 or under you can take the cash amount without tax and put it in the can as a donation. It is up to you to decide if there is enough in the can to make change. If you can't make change from the can, ring it up as a regular transaction with tax. If the can seems overstuffed, put some of the cash in the drawer by entering it as a "Received Account."

## Price Board

We have a dry erase board located behind the cashier for posting price changes, new items and other price news. Refer to this before you begin your work day.

## Returns Policy

Cash refunds are not offered at the ReStore. We do offer exchanges or credit for items returned with a receipt within 30 days. Signs are posted at the checkout desk to notify customers of this policy.

Only staff members can write up credit slips. When a customer gives you a credit slip at the time of purchase, subtract the amount of the item not including tax from the credit amount. List the amount left over, initial it and write the date of the new purchase (this will serve as a receipt for the new purchase). If the new purchase is more than the credit amount, ring up the balance, plus tax.

## Directing Customers

There is a floor guide in your manual and we plan to have a larger floor guide posted in the store for customers. If a customer needs more help, page a staff member.

Arrive early enough each day to walk through the store to look for changes and new items.

## Holding Sold Items

We have a "Sold" area for the convenience of customers who can't take an item with them at the time of purchase. There are no layaways. An item must be bought before being held and we ask that the customer return within three working days to pick up their item.

When holding a sold item, follow these steps:

## Appendix G: Cashier/Sales Counter Responsibilities

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1. Fill out a "Sold" form. Include the item description, the customer's name, phone number and date sold. Also include the receipt number, which is to the left of "Clerk 1" at the bottom of the receipt.
2. Instruct the customer to keep their receipt. They will need to present it at the time of pickup.
3. Ask someone working on the floor to put the item in the "Sold" area.
4. Ask the customer to indicate when the item will be picked up and to initial the appropriate line on the form.
5. When someone arrives to pick up an item, direct him or her to someone working on the floor, or page for customer assistance.

### Answering Phones

If you aren't too busy helping customers, you can help by answering the phones.

Answer by saying "Habitat ReStore, how may I direct your call?"

To forward calls, press *Hold*, punch in the extension number and put down the receiver.

Post a phone guide for directing calls.

ReStore director and project director, ext. \_\_\_\_

Volunteer coordinator, ext. \_\_\_\_

Development director, ext. \_\_\_\_

Donations and ReStore manager, ext. \_\_\_\_

Driver/donation pickup, ext. \_\_\_\_

Main ReStore, ext. \_\_\_\_

Administrative office, ext. \_\_\_\_

Any questions about Habitat houses, building sites, qualification for homeownership, etc., should be directed to the affiliate office.

# Timetable: Planning to Open a ReStore

The following timetable is a general guide. Time requirements will vary in each case. Some affiliates find that it takes up to 12 months from the time of initial planning to the opening of the ReStore. Developing and writing the business plan may be a slow, time-consuming process; but once it is written, it is usually much easier to proceed with subsequent tasks. It may also take time to find the right facility in the right location.

TASK	MONTH 1	MONTH 2	MONTH 3	MONTH 4	MONTH 5	MONTH 6
<b>Setting up the ReStore Committee and Organizational Structure</b> Appoint Committee Members Establish Decision-making Processes	█					
<b>Developing a Business Strategy</b> Market Research; Customer and Materials Develop Proposal for Presentation to the Affiliate Board First Draft of Business Plan Second Draft of Plan Final Draft	█	█				
<b>Presentation the Affiliate Board and Board Approval</b>		█				
<b>Securing Start-up Funding</b> Develop Foundations List Research Foundation and Grant Bodies; Make Initial Inquiries Submit Proposals	█	█				
<b>Finding the Right Facility</b> Establish Building Requirements: Location, Size, Amenities Search for a Facility Decide On Purchase or Lease; Sign and Secure Property Repair, Renovate, Expand		█	█	█	█	
<b>Establishing Financial and Legal Support</b> Set Up Bank Account Ensure that Legal and IRS Requirements are Met	█	█				
<b>Establishing a Donor Base and Materials</b> Market Project to Prospective Donors Approach Donors; Businesses, Retail Outlets and Individuals for Contributions		█	█	█	█	█
<b>Staffing the Store</b> Review State and Local Employment Policies Appoint Appropriate Paid Staff and Volunteers Establish In-store Operations Structure		█		█	█	█
<b>Stocking the Store</b> Establish Store Layout; Signage Receive and Pick Up Materials; Stock the Store				█	█	█
<b>Opening the Store</b> Advertise Grand Opening to Media, Donors and Community Host Grand Opening					█	█

# Resources and Bibliography

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## Resources

ReStore resources—manuals, best practices guides, discussion forums and news from other affiliates—are now available on Habitat's PartnerNet Web site at <http://partnernet.habitat.org>. Access the *Library*, then go to the *Construction and Environmental Resources* link.

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