



How to become a 2020 housing co-op

Getting prepared for your co-op's
tomorrow, *today*.



The CO-OPERATIVE HOUSING FEDERATION *of* Canada

Preface to this Second Edition of How to Become a 2020 Co-op

Becoming a 2020 Co-op is all about meeting the 2020 Standards of operations. Two years after we launched the 2020 Co-op program we carried out a review of the standards a co-op needs to meet to become a 2020 Co-op. We decided that the number of standards co-ops need to meet could be lowered without affecting the quality of the program.

So we've combined some of the 2020 Standards. There are now five of them, down from eight. You can find the revised standards following the introduction to this guide.

If you've already registered to become a 2020 Co-op and you've started working on meeting the original standards, you have a choice. You can continue working on the original eight standards, or you can follow this guide to the revised list of five standards. It's up to you. And in fact taken together, the content of the two sets of standards is largely the same.

If you have any questions about the new 2020 Standards, or any other aspect of 2020 Vision, here's how to contact us: call our 2020 information line at 1-877-999-8054, or email 2020info@chfcanada.coop.

Note that the 2020 Co-op designation is a registered certification mark that can only be used by co-ops that meet the 2020 Standards, as confirmed by CHF Canada.

The guide also comes with a 2020 Co-op toolkit, which contains a number of elements to help you with some of the 2020 Standards. You'll find the toolkit at the end of the guide.

Acknowledgements

Diana Devlin and Nicholas Gazzard wrote this 2nd edition of this guide, with editorial advice from Thom Armstrong and Dale Reagan. Project management by Catherine Cummings. Cover design and layout are by Aerographics.

How to become a 2020 Co-op is a 2020 Vision™ project.

March 2011

Foreword

A Message from Margaret Stefanowicz, President of Connaught Housing Co-op in Vancouver—Canada’s first 2020 Co-op

Connaught Housing Co-op is in the False Creek neighbourhood of Vancouver, not far from the new Olympic Village project. We are a family-focused co-op, featuring 79 units—including five accessible units.

Our members were enthusiastic about 2020 Vision early on, after a group of us attended an education conference with the Co-operative Housing Federation of BC (CHF BC) in 2009. This workshop explored 2020 Vision in detail and helped us get started. Those members then explained the 2020 Co-op process at a general meeting, and everyone got involved.

As we worked to meet the standards for becoming a 2020 Co-op, we came together to think about our future by creating a mission statement, putting short-term and long-term plans in place, and building on existing systems to ensure good governance and sound management. The development of these important standards will go a long way towards helping our co-ops think more long term.

In a world where people are increasingly busy, volunteer time is limited, and where skill sets are not always aligned with the needs of a changing co-op, sector organizations have proven to be essential in building a stable and strong future. This achievement would not have been possible without the help of our professional management, CHF Canada and CHF BC.

Connaught’s members learned much more about what a co-op is meant to be as a consequence of completing 2020 Vision, and wish other co-ops the best of luck in becoming a 2020 Co-op.

Inside this guide

1	
CHF Canada’s 2020 Vision Project.....	1
What’s in CHF Canada’s 2020 Vision project	1
2	
Introducing the 2020 Co-op Program.....	2
About the 2020 Co-op Standards.....	2
The five standards of a 2020 Co-op.....	3
How we set the 2020 Co-op standards.....	4
The process for becoming a 2020 Co-op	4
Keeping your 2020 Co-op Designation	5
3	
Meeting the 2020 co-op standards.....	7
Standard 1 A mission statement and a vision for its future	8
Standard 2 A 2020 Co-op has good governance and principled leadership.....	9
Standard 3 Your co-op has sound management.....	11
Standard 4 Your co-op has a long-term plan	14
Standard 5 Your co-op has a commitment to environmental sustainability.....	16
4	
Afterword.....	17
5	
The 2020 Co-op Toolkit	18
Toolkit Element 1 Our movement, Our values	19
Toolkit Element 2 Is your co-op on the road to 2020? A self-assessment tool.....	20
Toolkit Element 3 The Core Management Standards	22
Toolkit Element 4 Sample form for certifying a resolution	24
Toolkit Element 5 Sample ethical conduct agreement	25
Toolkit Element 6 The 2020 Online process – FAQ sheet	27



CHF Canada's 2020 Vision Project

In 2006 CHF Canada launched 2020 Vision, a brand new initiative to make Canada's housing co-ops stronger and prepare them for a future beyond their current government housing programs. You can find out more about the overall aims of 2020 Vision at www.2020vision.coop.

What's in CHF Canada's 2020 Vision project?

There are three parts to 2020 Vision:

1. helping housing co-ops develop a **mission statement**, **core values** and a **vision** founded on the shared values of Canada's housing co-operatives
2. developing a **2020 Vision toolkit** that helps co-ops make their vision a reality based on good governance and sound management
3. offering a program for a co-op to **become a 2020 Co-op**.

This guide is about the third part of 2020 Vision—how to meet the standards for becoming a 2020 Co-op.

2



Introducing the 2020 Co-op Program

The aim of 2020 Vision is to help and encourage co-ops to achieve excellence in governance and management, based on shared co-operative values. The 2020 Co-op program helps a co-op meet these standards of excellence and become a 2020 Co-op.

About the 2020 Co-op standards

CHF Canada has created a set of five standards for member co-ops to meet that define 2020 Vision excellence. Together, the 2020 standards allow us to measure the performance of member housing co-ops that want to become 2020 Co-ops. We created these standards after our members told us about their most important priorities as they plan for a strong future. The 2020 Co-op standards are set out on the next page.

Co-ops can measure their operations against these five standards. A co-op that sets out to meet all of them can register to become certified as a 2020 Co-op by CHF Canada.

The 2020 Co-op program is completely voluntary of course. No co-op has to complete all five of the 2020 standards. But we're betting that many will want to—co-ops take pride in how well they run their affairs and in the great communities they've created.

In this guide we're going to tell you how to show us that your co-op meets the five 2020 standards, and how CHF Canada can help you do that. We will begin by telling you what the standards are, and then explain:

- how we set the standards
- the process for becoming a 2020 Co-op
- how your co-op stays a 2020 Co-op.

And we'll also offer a note of caution as you start down the road to becoming a 2020 Co-op.

The Five Standards of a 2020 Co-op

A 2020 Co-op has:



1. A mission statement and a vision for its future

A 2020 Co-op has a mission statement, core values and a vision for its future that are in keeping with the values of the Canadian co-op housing movement. Its values include international co-op principles, non-profit operations, and co-operation with other housing co-ops through membership in the sector.



2. Good governance and principled leadership

A 2020 Co-op has good governance and the principled leadership that supports it. Its directors model the ethical, values-based behaviour that builds strong, well led co-operative communities.



3. Sound management

A 2020 Co-op understands that sound, expert management is key to operating successfully and offering members good service. It gets the results set out in the core management standards adopted by CHF Canada's members.



4. A long-term plan

A 2020 Co-op looks beyond day-to-day operations and plans for the longer term. It knows the shape its buildings are in, and what it will cost to repair them as they age. It knows that fully funding its capital reserves and investing them wisely is key to sound asset management. As it gets close to the end of its agreement with government, it puts together a financial plan for its operations and long-term viability.



5. A commitment to environmental sustainability

A 2020 Co-op is committed to a sustainable future, both for the co-op itself and for the global community.

How we set the 2020 Co-op standards

As we said earlier, CHF Canada's 2020 Vision project is founded on three building blocks that will ensure a strong future for a housing co-op:

- good governance and principled leadership
- sound management
- shared co-operative housing values.

Our aim in setting the five 2020 standards was to build a profile of a co-op that has these three building blocks firmly in place.

We also wanted to make sure that the standards for becoming a 2020 Co-op are set at just the right level—high enough to make becoming a 2020 Co-op a genuine accomplishment, yet not so high that the standards are just too difficult for co-ops to meet. So we've been careful to find the right balance in creating the 2020 standards.

The process for becoming a 2020 Co-op



The Internet is now such an important management tool for housing co-ops that it is essential for a 2020 Co-op to be connected to it. That's because the gateway to becoming a 2020 Co-op is the 2020 Vision website. In putting the program together, we decided that using the Internet would be the best, most efficient way for your co-op and CHF Canada to keep in contact as you start out. Here's how it works.

To register to become a 2020 Co-op, simply go to www.2020vision.coop and click on the **Log in** or **Register** icon. Click on REGISTER to complete the registration process. You will be directed to the Members' Network registration page. Once you have completed the registration form, you will be brought back to the 2020 Certification page where you can complete your registration by selecting your co-op name and creating a password.

Then you can login to your co-op's 2020 folder. It will contain a progress report and pages outlining the requirements for meeting each standard. All you have to do is submit the requested information using the online forms provided.

You can find out more about the online process in the Online FAQ that's part of the toolkit to this guide.

You can take the program at a pace that suits you...

Here's some good news—you don't have to meet all of the standards at once, or in any particular order. The time allotted for co-ops to meet the five standards and become a 2020 Co-op is four years. A co-op does need to meet at least one standard in each of the four years.

We encourage co-ops to start working on the standards they are already closest to meeting. You can find out which ones you are closest to by using the self-assessment tool in the toolkit section of the guide. As you read through the requirements for meeting each of the five 2020 standards you should be able to identify both the standards you are closest to meeting (and we're willing to bet you are close to meeting at least a couple of them!) and those that will require the most preparation, support and organization.

Once you have completed all of the requirements for a standard, the CHF Canada 2020 Coordinator will review your application and contact you if you need to resubmit any information to complete the process. You can visit your progress report to check on your co-op's status.

Once you meet all five standards, CHF Canada will designate your co-op as a 2020 Co-op. This is a formal designation. We have reserved 2020 Vision as a registered certification mark for housing co-ops. Only co-ops that meet the standards can use the designation. 2020 Co-ops will receive official recognition of their status and be honoured in CHF Canada's publications and at our annual meeting. But what's more important is knowing that you have a co-op that's running well, has a vibrant community and is a great place to live.

Keeping your 2020 Co-op Designation

Being a 2020 Co-op means that you have reached a high level of excellence. To make sure that each co-op continues to meet these high standards of performance we'll be asking each 2020 Co-op to check back in with us after five years, so we can confirm that the 2020 standards are still in place. We'll have more to say to our members about this as co-ops start to go through the 2020 process.

A note of caution—don't kill your manager with 2020!

2020 Vision is about building a strong future for your housing co-op. So it's not surprising that the standards for 2020 Co-ops include sound long-term planning.

Developing long-term plans will pay dividends for your co-op. And the more you put into these plans the more you'll benefit, because you will know your co-op's needs and have the resources to meet them.

But planning takes time and effort. You can't expect your manager to take on major planning projects and still keep up with the important day-to-day work of running the co-op. That's a recipe for failure. And planning for the maintenance and capital repair of a co-op takes expertise. So just handing the list of 2020 standards to your manager without providing the resources needed to meet them isn't going to work.

That doesn't mean that managers should have no role in helping co-ops meet the 2020 standards. On the contrary, they likely have a lot of knowledge that will be very useful in the process. What it does mean is that your board and manager should discuss how the process will work, what your manager can help with, and what additional resources will be needed to get the job done.

3

Meeting the 2020 Co-op Standards

The Five Standards of a 2020 Co-op



On page 4 we showed you the five standards a co-op must meet to become a 2020 Co-op, together with some comments on why each of them is important. Here we'll recap each standard, and explain

- how your co-op meets each standard
- how your co-op can show CHF Canada that you meet the standards.

Standard 1:



A 2020 Co-op has a mission statement and a vision for its future

The first standard is fundamental, as it speaks to our values as individual co-ops and as a national movement.

How your co-op meets the 1st standard

A 2020 co-op has a mission statement and a vision for its future, based on its core values as adopted by the members. Your mission will also confirm your co-op's commitment to the values of the Canadian co-op housing movement, as set out in *Our Movement, Our Values*, which is included in the toolkit section of this guide.

What CHF Canada needs from you to show that you meet the 1st standard

We need your co-op to provide:

- certified copies of the member resolutions adopting your co-op's mission, vision and commitment to the values of the Canadian co-op movement. A certified copy of a resolution has
 - the wording of the resolution as it was adopted by the members, together with the date of the meeting
 - a statement saying that the document is a certified copy of the resolution
 - the date and signature of a member of your co-op's board.

If your co-op already has a resolution adopting its mission and vision, a second resolution must be passed and submitted, confirming the co-op's commitment to the values of the Canadian co-op movement, including the date and the signature of a member of your co-op's board.

Help with meeting the 1st standard



CHF Canada has developed the 2020 Compass, a process that helps co-op members work together to decide on a mission, core values and a vision statement, using a trained *2020 Compass* facilitator. Your co-op doesn't have to use the *2020 Compass* to meet the first standard. You can develop your own mission and vision statements to reflect your co-op's core values and those of the movement. CHF Canada will be posting sample statements on the 2020 Vision website. But the co-ops that have helped us develop the *2020 Compass* are telling us that it's the best way to get true member support for the values that matter to us as a movement.

As we mentioned above, CHF Canada has created the document *Our Movement, Our Values*, which sets out the fundamental values we share in the co-op housing movement. To meet the first standard, we'd like you to take the step of confirming your co-op's commitment to these values as a part of your resolution adopting a mission and vision for your co-op. You can find *Our Movement, Our Values* in the toolkit to this guide.

A sample form for a certified copy of the resolution adopting your mission, vision and values can be found in the toolkit. You can also download it from the 2020 Vision website.

Standard 2:



A 2020 Co-op has good governance and principled leadership

A 2020 Co-op demonstrates good governance and the leadership needed to support it. Its directors model the principled, value-based behaviour that builds strong, co-operative communities.

How your co-op meets the 2nd standard

- a) Your co-op's directors sign ethical conduct agreements that set out:
 - the directors' duties of care and loyalty
 - how conflict of interest is to be dealt with
 - what directors must do to remain in good standing.
- b) There is training in good governance and board basics for all board members each year.
- c) At least two members' meetings a year are held:
 - one to receive the co-op's annual budget and approve housing charges
 - one to hold your annual meeting, when members receive the audited financial statements and a report from the board, and appoint the co-op's auditor.

Of course you will also need to hold elections for your board, which are usually, but not always, held at the annual meeting.

- d) The board conducts an annual planning session.
- e) The board completes a member satisfaction survey.

Good governance doesn't just mean making certain the co-op is meeting its legal obligations or watching the finances: it also means responding to the needs of members, and valuing them as customers. Co-ops that complete the member satisfaction survey are better able to meet those needs, maintain their membership, and plan for the future. You can access it in the Tools section of the 2020 Vision website.

What CHF Canada needs from you to show that you meet the 2nd standard

We need your co-op to provide:

- a copy of the standard ethical conduct agreement that your directors sign each year
- a copy of the rule, policy or by-law your co-op has adopted that sets out how you deal with directors in arrears
- a letter from your president or from the secretary of your board confirming that
 - all directors have signed the ethical conduct agreement
 - all directors meet the standard for directors' arrears, as set out in the model ethical conduct agreement in the toolkit
 - you hold at least two members meetings a year
 - organized board training and planning sessions take place each year.
- a summary report of the member satisfaction in your co-op.

Help with meeting the 2nd standard

To help you survey your members, CHF Canada has created an online tool called the Member Satisfaction Survey. You can find it in the resource section of our website, together with help on how it works and how you can adapt it to the needs of your co-op.

When your co-op has completed the survey, an online reporting tool will compile all of your members' answers. You will then be able to print a summary report for member satisfaction in your co-op. When you submit your summary report to CHF Canada, you can rest assured that we will keep it in a secure database.

You can find CHF Canada's model ethical conduct agreement for directors in the toolkit to this guide. You can also download it from our website or you can contact us to e-mail it to you. You can find information on board training for your directors by talking to your local federation or to us here at CHF Canada.

CHF Canada has produced a 2020 Vision guide, *Getting Governance Right*, which talks about the importance of good governance and principled leadership to the success of a co-operative. You can download it from the 2020 Vision website or ask us to send you a print copy.

CHF Canada has also created the Good Governance Test, which your board should consider taking to see just how well it's working to ensure the long term viability of the co-op as a business and co-operative community. It's available online through the 2020 Toolkit page along with the Member Satisfaction Survey.

Standard 3:



Your co-op has sound management

A 2020 Co-op understands that sound, expert management is key to operating successfully and offering members good service. It consistently achieves the results detailed in the core management standards adopted by CHF Canada's members.

How your co-op meets the 3rd standard

Your co-op has property management that meets CHF Canada's core management standards. They are divided into five areas:

- managing the finances
- keeping the co-op in good repair
- keeping the co-op full
- meeting your co-op's legal requirements
- supporting good governance.

In the toolkit to this guide you'll find a list of the core management standards, grouped under these categories. Each core management standard is actually an outcome, or result. Together they show that your co-op is well managed and administered.

Your co-op meets the third 2020 standard if you are getting good results in each of the core management areas listed in the toolkit.

What CHF Canada needs from you to show you meet the 3rd standard

We need your co-op to provide:

1. Information about your co-op's management

It's certainly not the goal of 2020 Vision to make extra work for housing co-ops. But we do need you to tell us how your co-op is meeting the core management standards. So we've created simple online forms that let you do just that. The forms, which are available to registered co-ops through the 2020 Vision website, enable your co-op to tell us, in point form, what management systems you have in place that give you the outcomes described in the core management standards.

2. A letter from your co-op confirming that:

- Your member arrears are no greater than 3% of the monthly housing charges due from the members
- Annual bad debt expense is no more than 1% of the monthly housing charges due from the members.

Help with meeting the 3rd standard

CHF Canada's guide *Getting Management Right* is certainly a useful start when working towards completing this standard. And you can go to the Resource Centre on the CHF Canada website for more help on good management for your co-op. Along with useful management advice there's a self-evaluation tool you can use to take stock of your co-op's management, called "How well does your co-op run?" And we are working on a set of asset management resources to help co-ops plan a comprehensive maintenance program.

Perhaps the best way your co-op can help itself to meet the third standard is to make sure you are using the right people to handle your management—people who are trained and skilled and who can be relied on to get the job done when it needs doing. It's not reasonable to expect this of your members, and co-ops that depend on their members to manage the co-op may struggle to get the desired results. It's not a question of whether you can afford to have professional management, but whether you can afford not to. Remember, it's the results that count.

A note on asset management

In the core management standards there is a section called “keeping the co-op in good repair”. Meeting this standard is all about maintaining and protecting co-operative homes now and for the future. The work of looking after your co-op’s physical property is increasingly becoming known as **asset management**.

Asset management is a term that may be new to some co-ops. It means taking care of your co-op’s buildings, building systems and grounds. In the core management standards, asset management is called “keeping the co-op in good repair”.

And now more than ever it is crucial that housing co-ops look after property assets. Co-op properties are aging and most co-ops haven’t saved nearly enough in their capital replacement reserves.

Your co-op property is the most important asset you have. If it’s in poor shape you won’t be able to offer decent housing to your members, or easily replace members who leave.

How do we accomplish the effective management of our housing co-op assets?

- through proper maintenance and maintenance planning
- through realistic long-term funding for our capital reserves
- through planning our finances over the coming years.

Further details about capital reserves and planning are discussed under standard 4, below.

Managing your co-op as an asset is fundamental to good management. For more information on tools and resources on asset management, visit the CHF Canada Resource Centre. In the section “Keeping Your Co-op in Good Repair” you will find lots of information and tools that will help you manage your co-op’s physical assets.

Standard 4:



Your co-op has a long-term plan

A 2020 Co-op looks beyond its daily operations to plan for the longer term. It knows the condition of its buildings and what it will cost to replace them as they reach the end of their useful life. It understands that funding its capital reserves adequately and investing them wisely is the key to successful asset management. As it approaches the end of its agreement with government, it develops a financial plan to sustain its operations and secure its long-term viability.

How your co-op meets the 4th standard

1. Your co-op has a **capital plan** that includes:
 - a building condition assessment (known as a BCA) that
 - has been developed by an engineer or qualified building condition specialist
 - is updated at least every three years
 - provides a long-term schedule of projected capital replacements and major repairs, with cost estimates
 - offers advice on preventive maintenance activities to make capital items last longer.
 - a reserve fund forecast for your capital (or replacement) reserve fund prepared by your BCA professional or other qualified specialist that spans at least 10 years and is updated at least every three years
 - an investment strategy for your capital reserves that matches the duration of your investment to the timing of your cash needs.

Some co-ops also prepare a short-term capital spending plan. This isn't needed for you to meet the 4th standard, but it can be a very useful tool for planning your short-term reserve fund cash needs. The plan covers a much shorter period than your reserve fund forecast—perhaps one year or maybe up to three years. It's much more precise because the planned spending matches the capital replacements you know you're going to be making in the short term.

2. Your co-op has a **financial plan**, if your government operating or funding agreement is going to end in five years or less.

If your operating agreement is going to expire soon—and five years is soon—a 2020 co-op will need a picture of how its finances are going to look when that happens. Because a lot will change for your co-op when its original mortgage has been paid off and government subsidies have come to an end.

A 2020 co-op that is facing the end of its operating agreement has a detailed, long-term financial forecast, covering the period after your operating agreement ends, of:

- the co-op's annual revenues, expenses and any mortgage or other debt service payments you are making, taking into account that there will be no guarantee of government subsidy when your operating agreement ends
- contributions to and spending from capital reserves
- any debt service that is expected as a result of new borrowing.

The forecast must be adopted by your co-op's board of directors.

A note of clarification here: a multi-year financial forecast is a management tool a co-op can use to assess its longer-term financial stability, minimize financial risk, and determine spending priorities. It does not replace the annual budget that is put before the members for their approval.

What CHF Canada needs from you to show that you meet the 4th standard

We need your co-op to provide:

1. A letter from a director or your manager confirming:
 - the dates your building condition assessment (BCA) and reserve fund forecast were created and last updated
 - the BCA meets the standards set out above qualifications of the firm or individuals used to prepare your BCA and forecast
 - the time span covered by your forecast and how often it will be updated.
2. A copy of your co-op's investment by-law or policy, or an outline of your investment strategy.
3. And, *if your operating agreement ends in five years or less:*
 - a copy of your financial plan
 - a certified copy of the board of directors' resolution that adopted the plan.

Help with meeting the 4th standard

Capital planning

CHF Canada has a guide to capital planning for federal program co-ops that you can download from the 2020 Vision website or get from us in hard copy. It can help you with all aspects of capital planning, from the physical side of things to the financial tools you'll need. The Social Housing Services Corporation (SHSC) in Ontario has published its own guide to capital planning for co-ops that operate under Ontario's Social Housing Reform Act (SHRA). It's also a very useful resource.

More than one way to a BCA?

CHF Canada's advice on getting a BCA done has been to hire a qualified engineer or other building condition professional to inspect your buildings. More recently we've become aware of a different approach, which uses large-scale data gathering to estimate the lifespan of building components without a detailed building inspection. You can ask us for more information if you're interested.

Long-term financial plan

CHF Canada has a customized financial forecasting spreadsheet and a guide to it that co-ops can use to create a long-term financial forecast. The spreadsheet lets you project your housing charge income and other revenues for each year of the forecast and estimate the subsidy you will receive. You can estimate your annual operating costs, and decide how you think inflation will affect them in future years.

The spreadsheet also lets you enter the capital expenditure amounts from your reserve fund forecast. And an important extra feature lets you estimate new borrowing requirements in the future and determines the loan payments for you automatically. We built this feature in because we expect many co-ops will need to refinance after their operating agreements are over.

You can use the spreadsheet to make alternative projections based on different assumptions for factors like interest rates, inflation and housing charge increases. This allows you to generate best-case/worst-case scenarios to give you a more complete picture of how the future might look for your co-op.

These are just some of the features of the CHF Canada financial forecasting software. You can download it from the 2020 Vision website together with a user-friendly guide. You can use it in your co-op office, and it's available to co-op management companies and other professionals working with housing co-ops.

Standard 5:



Your co-op has a commitment to environmental sustainability

Your co-op has adopted or is planning measures to conserve energy, reduce waste and become more environmentally sustainable.

What CHF Canada needs from you to show that you meet the 5th standard

This one's easy. Just tell us, in your own words, what your co-op is doing, or planning to do, to become more environmentally sustainable. If you have developed a sustainability policy or an action plan, we'd like to see that too.

Help with meeting the 5th standard

CHF Canada is developing a toolkit to help member co-ops put sustainability measures in place. We'll make sure that all our members have access to it when it's ready. And there are lots of other places to find advice and support on sustainability. For Ontario co-ops the Social Housing Services Corporation has resources on the subject and is developing more. The Internet is a particularly rich source of information as well. Try not to print out everything you find—that's not the best way to start reducing your carbon footprint!

4

Afterword

Becoming a certified 2020 Co-op might be a bit of a challenge, but it's a challenge worth taking. Because if you meet the 2020 standard of excellence it means you're delivering fully on the promise of co-op housing: well-run, well-maintained resident-controlled community housing that the members are proud to call home. Does your co-op measure up to that standard? Take the 2020 challenge and find out! It all starts with a click of the mouse at www.chfcanda.coop.

5



The 2020 Co-op Toolkit

Toolkit Elements:

1. Our movement, Our values
2. Is your co-op on the road to 2020? A 2020 Standards self-assessment tool
3. The Core Management Standards
4. Sample form for certifying a resolution
5. Sample ethical conduct agreement
6. The 2020 online process FAQ

Toolkit Element 1

Our movement, Our values

The values of the Canadian Co-operative Housing Movement

Canada's non-profit housing co-operatives are dedicated to developing strong housing communities that operate under the control of the resident-members, for their mutual benefit on a not-for-profit basis. As a movement we are united by a commitment to uphold and promote these shared values:

1. The international co-op principles guide the way we govern and manage our housing co-ops.
2. Continuing to operate our co-ops on a not-for-profit basis is fundamental to our future and to our promise to Canadians in need of housing.
3. Co-ops strive to house members with a mix of incomes.
4. Housing co-ops treat their employees and other providers of management services fairly and value the contribution they make to their communities.
5. Housing co-ops are inclusive communities and embrace diversity by fostering a membership of differing backgrounds and abilities.
6. A commitment to environmental sustainability guides the operating practices of housing co-ops.
7. Co-ops aim to provide a high-quality living environment for their members and do their best to respond to their changing housing needs over time.
8. The right of members to live in their co-op is protected as long as they respect the rules that they have together agreed will govern their housing.

Toolkit Element 2



Is your co-op on the road to 2020?

A self-assessment tool

Start where you are

As we review the 2020 Standards, check off any of the requirements for a 2020 Standard that your co-op has already completed.

When you're done, identify the Standards that you are closest to completing, and create a plan with your co-op and manager to complete them. Then register online, upload your documents and you're on your way!

Standard 1

A mission statement and a vision for its future

- Have you completed a mission statement and vision for the future?
- Does your co-op uphold the values of the Canadian co-operative movement?

Standard 2

Good governance and principled leadership

- Do your directors sign an ethical conduct agreement every year?
- Does your co-op have a rule, policy or by-law that sets out how the co-op deals with directors in arrears?
- Do all of your directors meet this rule, policy or by-law?
- Does your co-op hold at least two members meetings a year?
- Do board training and planning sessions take place every year?

Standard 3

Sound management

- Can you explain how your co-op meets the Core Management Standards?
- Are your member arrears no greater than 3% of the monthly housing charges due from the members?
- Is the co-op's annual bad debt expense no more than 1% of the monthly housing charge due from the members?

Standard 4

A long-term plan

- Has your co-op had a BCA completed by a qualified firm or individual within the last year?
- Does your co-op have a reserve fund forecast derived from the BCA?
- Does your co-op have an investment by-law or policy? Or do you have an outline of an investment strategy?

And if your operating agreement ends in five years or less:

- Does your co-op have a financial plan?
- Can you provide a certified copy of the board of directors' resolution that adopted that plan?

Standard 5

A commitment to environmental sustainability

- Tell us what your co-op is doing, or planning to do, to become more environmentally sustainable.

And remember, if you have any difficulty uploading documents, or would like advice or clarification on a Standard, call our 2020 information line at 1-877-999-8054, or email 2020info@chfcanada.coop.

Toolkit Element 3

The Core Management Standards

1. Managing the finances

- 1.1 the co-op adopts a workable budget each year
- 1.2 the co-op pays its bills in full, on time
- 1.3 the co-op has up-to-date books and financial records
- 1.4 the board receives and reviews the financial statements each month
- 1.5 the co-op has good financial controls and proper insurance to safeguard its assets
- 1.6 the co-op avoids dealing in cash
- 1.7 the co-op collects housing charges right away
- 1.8 the co-op has a replacement reserve plan and an investment plan

2. Keeping the co-op in good repair

- 2.1 the co-op has good "curb appeal"
- 2.2 the co-op responds promptly to requests for repairs
- 2.3 the co-op has a routine and preventive maintenance schedule
- 2.4 the co-op is free of safety hazards
- 2.5 the co-op has an emergency response procedure
- 2.6 the co-op has a replacement reserve plan and keeps it up to date
- 2.7 the co-op inspects each housing unit once a year and whenever a member moves out

3. Keeping the co-op full

- 3.1 the co-op keeps turnover rates down by giving good service to its members
- 3.2 the co-op restores units to market-ready condition on move-out
- 3.3 the co-op advertises vacancies
- 3.4 the co-op has a quick and simple application process
- 3.5 units are filled right away
- 3.6 the co-op orients new members promptly

4. Meeting legal requirements

- 4.1 the co-op follows program agreements and rules
- 4.2 the co-op administers rent subsidies according to program rules
- 4.3 the co-op submits its audited financial statements and other reports to the government on time
- 4.4 the co-op complies with the co-op act and other provincial laws
- 4.5 the co-op complies with privacy laws

5. Supporting good co-op governance

- 5.1 the board gets the information and advice it needs to make sound decisions
- 5.2 board meetings are well planned and prepared and minutes are kept for each meeting
- 5.3 the board receives an orientation each year and information about other training opportunities
- 5.4 the board's annual planning session is productive
- 5.5 there is effective two-way communication between the board and members
- 5.6 members' meetings are well organized and minutes are kept
- 5.7 the directors and members get advice about their role in the co-op's governance structure

Toolkit Element 4

Sample form for certifying a resolution

Resolution of XYZ Housing Co-operative

Title of resolution

(full text of resolution)

CERTIFIED to be a true copy of a resolution adopted with the required majority by the [members] [directors] of XYZ Housing Co-operative at a meeting for which due notice was provided and quorum achieved, held at the City of _____ on the _____ day of _____, 20 _____.

Secretary

c/s

Toolkit Element 5

Sample ethical conduct agreement

Sample ethical conduct agreement for members of the board of directors

I, _____, am a member of the board of directors of _____ Housing Co-op (the Co-op).

1. I agree that, as I carry out my duties as a director of the Co-op,
 - a. I will act honestly, in good faith and in the best interests of the Co-op. In carrying out my duties as a director I will use the care, skill and diligence that any reasonably prudent person would use in a similar situation;
 - b. I owe a duty of loyalty to the Co-op and I will always put the interests of the Co-op before my personal interests;
 - c. I will declare any conflict of interest I may have in a matter before the board right away, either in writing or by asking that my declaration be noted in the board minutes. I will not take part in any discussion of the matter in which I have a conflict of interest and I will not vote if the matter is put to a vote;
 - d. I will follow all laws, rules, by-laws and policies that apply to the Co-op and to the board of directors and I will abide by the decisions of the board;
 - e. I will publicly support the decisions of the board;
 - f. I will keep secret any confidential or private information about the Co-op's business and employees or other individuals that I become aware of through my position. If I am not sure whether certain information should be kept confidential, I will ask the Board of Directors for a decision on the matter. I recognize that my duty of confidentiality continues after I cease to be a director.
2. I also agree that I will be deemed to have resigned from the board of directors, if
 - I declare bankruptcy;
 - I am refused a bond;
 - I fail to remain in good standing as a director, as defined below.

**Sample ethical conduct agreement for members of the board of directors
(continued)**

I am in good standing as a director if

- I do not owe money to the Co-op other than
 - my housing charge for the current month;
 - scheduled future payments to purchase shares or to pay my member deposit or member loan;
 - any other payments for which I have a payment agreement with to the co-op, but these payments cannot be for housing charges that I owe to the Co-op;
- I am not in breach of this agreement, or of my lease or occupancy agreement or any other rule, by-law or policy that applies to me as a member or director of the Co-op.

Name (PLEASE PRINT)

Signature

Date

Toolkit Element 6

The 2020 online process FAQ

- **How does my co-op create a 2020 account?**

Go to www.chfcanada.coop and from the home page under 2020 Vision click on “learn more”. On the next page under Log in or Register click on “learn more”. On the next page, click on “register” seen on the right side of the screen. Fill in the 2020 Certification registration form by selecting your province, region and co-op’s name from drop down menus, then filling in the name of your co-op’s contact person, email address and your password. Then click on “submit”.

- **How do we upload files?**

To upload a file when required to complete a standard, you must first scan and/or save the documents on your computer as a single file. When requested to upload a file click on “browse” which will allow you to search your computer for the file you wish to upload from where you previously stored it. When you find the file, click on the file you want to upload and then click on “upload now”.

- **Who reviews the uploaded files and decides if we meet the standard?**

Our 2020 Vision co-ordinator, Debbie Hamilton, reviews all 2020 materials submitted. Based on the requirements found in the certification guide, she decides if the standard has been met.

- **What kinds of files can be uploaded?**

The following file types can be uploaded: PDF, Word, WordPerfect, Rich Text, Word Pad, and Excel. If you are trying to upload a file type not on this list, please contact Debbie Hamilton to see if it can be accommodated.

- **How many files can be uploaded at a time?**

Only one file can be uploaded when requested. If you need to upload several documents at once, you must first scan them into a single file or merge several documents into one file¹.

- **Who can we contact if we have problems with the site?**

Please contact Debbie Hamilton, 2020 Vision Co-ordinator, by email at 2020info@chfcanada.coop or call toll free 1-877-999-8054.

¹ We are currently working on a capacity for uploading multiple files at the same time. We will change the online version of this guide when this becomes possible.

2020 VISION

Contact us

2020 Vision Project

1-877-999-8054

2020info@chfcanada.coop

National Office

311–225 Metcalfe Street

Ottawa, ON K2P 1P9

Tel 613-230-2201

Fax 613-230-2231

Toll-free 1-800-465-2752

Ontario Region

313–720 Spadina Avenue

Toronto, ON M5S 2T9

Tel 416-366-1711

Fax 416-366-3876

Toll-free 1-800-268-2537

Vancouver Office

204–5550 Fraser Street

Vancouver, BC V5W 2Z4

Tel 604-879-4116

Fax 604-879-4186

Toll-free 1-877-533-2667

Manitoba Office

Suite 192, 162–2025 Corydon Avenue

Winnipeg, MB R3P 0N5

Tel 204-947-5411

Fax 204-947-5412

Toll-free 1-888-591-3301

Nova Scotia Office

202 Brownlow Avenue

Suite 300 – Tower 1

Dartmouth, NS B3B 1T5

Tel 902-423-7119

Fax 902-423-7058

Toll-free 1-866-213-2667

www.chfcanada.coop

www.2020vision.coop

© CHF Canada, 2011.
Members of CHF Canada
may copy and use this guide.
This material is not to be used
or copied by others without
the written consent of the
Co-operative Housing
Federation of Canada.

*How to Become a 2020
Housing Co-op* is a 2020 Vision
publication made possible
through the dues paid by
CHF Canada's members.

