Introduction to Policy Templates, Supporting Resources and Other Samples

The purpose of this section is to provide support to our member housing co-ops in developing new policies, and /or to bring current policies up-to-date. This section also offers a number of other templates that our member housing co-ops can adapt and use, for example sample a job description for a Board Treasurer or for a Finance Committee.

This section is grouped in five different areas:
1. Board and Governance
2. Finance
3. Maintenance
4. Membership
5. Community

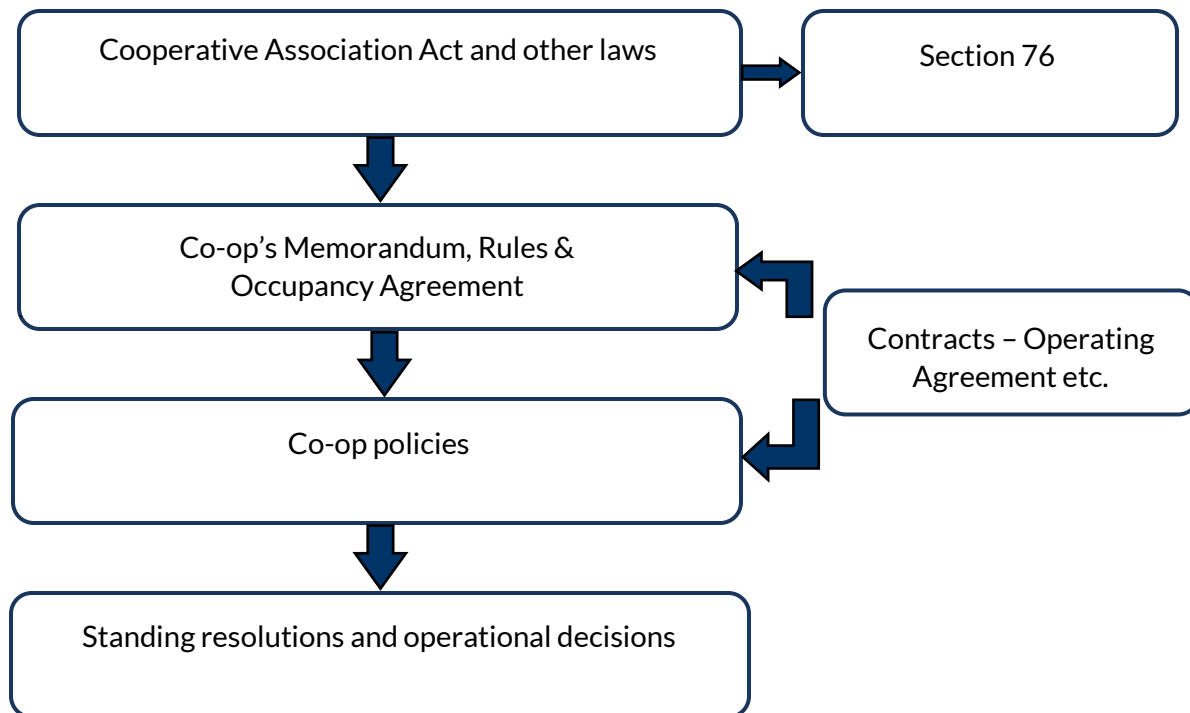We have included the core policies most housing co-ops need to:

- Manage the business of the co-op
- Provide for the needs of the community
- Reflect the principles of co-operation and the values of co-op members

Your co-op's legal framework

- The *Cooperative Association Act* is the law that governs every co-operative enterprise.
- The Rules provide for the governance of the co-op, e.g. how membership is terminated, how the board is elected, when meetings must be held etc.
- The Occupancy Agreement sets out the terms of occupancy between the co-op and its members. It is like the lease between a landlord and a tenant. The Occupancy Agreement requires members to follow the co-op's policies.
- Policies regulate the daily business of the co-op in areas like pets, parking, unit inspection, collection of housing charges, etc.
- The members usually approve policies and must follow them. The board enforces policies.

The chain of legal authority

Effective policies are a key element of any co-op's operations. They complete the co-op's legal structure. In the diagram below you can see where the policies sit in the chain of legal authority. Policies must not contradict anything in the Co-op Act, Rules, or Occupancy Agreement. Policies must also be consistent with your co-op's contract with CMHC or BC Housing (if you have one).

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┌─────────────────────────────────────────┐      ┌──────────────────────┐
│ Cooperative Association Act and other laws│ ──▶  │     Section 76        │
└─────────────────────────────────────────┘      └──────────────────────┘
                    │
                    ▼
┌─────────────────────────────────────────┐
│   Co-op's Memorandum, Rules &            │ ◀──┐
│       Occupancy Agreement                │    │
└─────────────────────────────────────────┘    │  ┌──────────────────────┐
                    │                           └──│ Contracts – Operating │
                    ▼                              │   Agreement etc.      │
┌─────────────────────────────────────────┐    ┌──└──────────────────────┘
│            Co-op policies                │ ◀──┘
└─────────────────────────────────────────┘
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                    ▼
┌─────────────────────────────────────────┐
│ Standing resolutions and operational decisions│
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It makes sense to review your policies after your co-op has up-dated to Model Rules 2.0

Good policy

Good policies make a co-op run better, not worse. They improve the management of the co-op and the quality of life in the co-op.

You have made a good policy if:
- It is simple
- It is consistent
- It works

A policy should be **simple**. Write it in plain language, not legal jargon. Some members may not be confident readers. Others may not know very much English. But everyone needs to understand policies, so:

- keep sentences short (in fact, keep the whole policy as short as possible)
- be ready to explain policies to anyone who asks, and,
- don't confuse policies with the procedures needed to carry them out.

Policies must be **consistent** with:

- the Co-op Act, Rules and Occupancy Agreement
- other co-op policies, and
- itself (in other words, one section of a policy does not contradict another).

Finally, good policies **work**. They strike the right balance between the needs of members and the needs of the co-op. They are fair and reasonable. They respect the role of the members and the board in the structure of the co-op.

Making policy

Policies can start with:

- a suggestion made at a members' meeting
- a proposal from a committee
- an issue that comes up at a board meeting, or
- a recommendation from management staff.

Wherever it starts, a policy should go through the same steps:

Think about it. Do you need a policy? If only one or two members think there's an issue, a policy may not be the answer. Or if something will only come up every other year, perhaps it can be left to the board to decide. Co-ops can choke on too much regulation. Check in this section for samples to see what other co-ops have done. Review the discussion notes and be clear about the reasons for having a policy. When you're sure that you need a policy, and why, move to the next step.

Write it. A members' meeting cannot write a policy - not well anyway. Start with one person or a small group to write the first draft. Don't reinvent the wheel. Start with the samples in this manual and change them to suit you. Do keep it simple. And don't mix procedures in with policies, for example a pet policy can provide that pets be registered with the co-op, but it need not include the registration form.

Review it. The board should review policies at this stage to make sure that they:

- are consistent with the Co-op Act, Rules and Occupancy Agreement, and other policies
- assign the right responsibilities to members and directors
- don't leave out anything important, and
- will work because they are fair, reasonable and balanced.

If you wrote the first draft, try not to be defensive. Every good idea can benefit from a second look. You will save time and effort at this stage with a careful review.

Discuss it. Once a policy is approved, members are bound by the Occupancy Agreement to follow it. So members deserve a chance to have input before anything is made final. Take draft policies to members' meetings for a good discussion. Circulate them before the meeting so members can think about the issues and prepare questions or comments. If you aren't pressed for time, discuss the policy at one meeting and approve it at the next. If that's not possible, try not to pack too much into one meeting agenda so members will get a fair chance to have their say.

Approve it. In some co-ops, the board approves policies. In most co-ops, members have final approval. Your Rules will set out who has the authority to approve policies. Make sure you follow your Rules for things like proper notice for meetings and the majority needed at the meeting to approve the policy.

Record it. Members, directors and management staff will need to refer to policies all the time. Keep a complete, up-to-date set of policies in a central manual. When a new policy replaces an older version, replace it in the policy manual right away. The manual should be kept in a secure place, but members should have easy access to it (or to a copy). Policies should be kept in the same format.

Live by it. A policy that is not followed by members and enforced by the co-op is a waste of everyone's time and money. If you don't plan to enforce a policy, don't bother to make one in first place. And if you do plan to make and enforce a policy, be sure that it meets the test of a good policy and improves the management of the co-op and its members' quality of life.

How this section is organized

Policies in this section are grouped by subject area. They are samples that may suit your co-op perfectly or need many changes. Each policy is organized in a standard format that includes:

1. **Purpose of the policy** - a statement of why you need a policy in this area and what you hope to achieve by adopting one.

2. **Policy** - sample text for you to consider.

3. **Procedures needed to carry out this policy** - suggestions for follow-up procedures you will need to develop, like a list of tools for the maintenance policy or a registration form for the pet policy.

4. **Options** - some choices that you can make. Options are flagged in the sample text by **[bold type in square brackets like this].** There are notes attached to explain what your choices could be. You are not limited to the choices in the sample policy. You will need to draft a policy that suits your co-op.

5. **Discussion notes** - some ideas to keep in mind when writing the first draft of your policy or reviewing it with your board or members.

Within each area there are resources that can be used to support the policies. For example, you will want to have directors, committee members and management staff sign a confidentiality agreement. This section includes a sample.

A co-op's policy manual will never be complete because co-ops will never stop reviewing and improving the way they are governed and managed.

In addition to each policy, you'll find the options, discussion notes and resource materials on the site. You can download these materials as Acrobat PDF files or as MS Word files.

If you would like to share your policy templates with us, share the wealth! You are the experts and we can all strengthen our governance by sharing templates with the wider housing co-op community

Need help?

You may decide that you need help at some stage of your policy process. You can get help from:

CHF BC: The Federation offers general advice, consultations and workshops on the Co-op Act, Model Rules and Occupancy Agreement, policies and other co-op issues.
Call us at 604.879.5111 (1.866.879.5111) in Vancouver. Visit us at www.chf.bc.ca

Your management company: Ask your co-ordinator for help in making the right decisions about policy options.
Your lawyer: Unlike your Rules and Occupancy Agreement, you do not need to file policies with the Registrar of Companies in Victoria. But your policies do need to be consistent with the Co-op Act and your Rules. If you need legal advice, be sure to consult your lawyer.