EVALUATING BOARD PERFORMANCE
Thursday, October 15, 2015

Facilitator: Mary Ann Rothman, Executive Director
Council of New York Cooperatives & Condominiums

I. Why Evaluate Board Performance?
   A. PLANNING:
      To Establish or Confirm Clear Goals
      and Measure Progress Toward Meeting Them
   B. TEAM BUILDING:
      To Assess Board Strengths and Weaknesses
      and Seek Together Ways to Improve Board Functioning

II. When? Where? How? How Often?

III. Conducting the Evaluation
   A. Set Criteria Ahead of Time - Agree on Time Frames
   B. Possible Use of Facilitator or Outside Evaluator
   C. Some Basic Ground Rules
      1. The Evaluation is Confidential
      2. The Board as a Group will Evaluate its Performance
      3. Civility and Respect Must Prevail
   D. Record Keeping
   E. Effective Use of Questionnaires
   F. Stress Positive Results
      1. Review evaluation results as new goals are set
      2. Utilize areas of strength in goal setting
      3. Address how to improve areas of weakness

IV. Questions and Comments
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<th>Goal</th>
<th>Met</th>
<th>Needs Work</th>
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<td><strong>THE BOARD</strong></td>
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<tr>
<td>All Board Members are familiar with co-op documents, policies and procedures</td>
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<td>Board Members understand their responsibility to act always in the best interest of the cooperative</td>
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<td>Board Members are ethical, respectful and honest in their approach to all issues.</td>
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<td>New Board Members receive orientation training</td>
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<td>All Board Members continue their co-op education</td>
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<td>THe President presides over Board Meetings inviting input from all Board Members and bringing in professionals so that their expertise and advice can help the board make informed decisions</td>
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<td>Board meetings follow the prepared agenda and move efficiently from presentation to questions to decisions with opportunity for all members to be heard.</td>
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<td>Committees help with the work of running the cooperative and bring their suggestions to Board meetings.</td>
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<td>Systems are in place for identifying potential leaders and encouraging them to serve on Committees and on the board.</td>
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<td>The Annual Meeting is well attended, with new candidates eager to run for seats on the Board. At this meeting the Board reports on developments of the prior year and answers questions raised by the membership.</td>
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<td><strong>POLICIES &amp; PROCEDURES</strong></td>
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<td>The Board reviews and approves its goals and policies annually and communicates significant changes to the membership.</td>
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<td>The Cooperative has clear policies governing every aspect of living in the community. These policies are clearly communicated to the membership.</td>
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<td>A suggestion box enables members to make comments to the Board and to management.</td>
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<td>Building management and staff understand these policies.</td>
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<th><strong>FINANCES</strong></th>
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<td>The Treasurer oversees all financial aspects of operating the cooperative.</td>
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<td>An annual audit is made of cooperative finances.</td>
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<td>A budget is prepared each fall by the Treasurer and the Finance Committee with input from management and from the co-op’s accountant.</td>
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<td>Reserves are prudently invested.</td>
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<td>A policy is in place for ensuring timely payment of cooperative fees by all members</td>
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<td>The cooperative has adequate insurance coverages and reviews these annually.</td>
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<td>There are plans in place to fund future repairs and replacement of building systems and structures.</td>
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<th><strong>PHYSICAL PLANT</strong></th>
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<td>A program is in place for careful maintenance of all building systems and structures.</td>
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<th><strong>MANAGEMENT &amp; STAFF</strong></th>
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<td>The Board sets clear expectations for staff and management and honors the chain of command.</td>
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<td>QUALITY OF LIFE</td>
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<td>-----------------------------------------------------------------------------------------------------</td>
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<tr>
<td>Members of the cooperative feel that they are part of a special community; they praise the</td>
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<td>cooperative way of life.</td>
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<td>Members feel that their Board represents their views, protects their interests and listens to their</td>
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<td>ideas.</td>
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<td>Effective policies exist for resolving conflicts between members or between members and the Board.</td>
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<td>The children in the cooperative are encouraged to feel part of this special community through</td>
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<td>activities which include: a clubhouse (study hall/computer access to do homework together), a “</td>
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<td>Junior Board”, a gardening club, a book club, babysitting service, Little League Team, drama</td>
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<td>society, crafts club, etc.</td>
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<td>Social events help reinforce this feeling of Community..</td>
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<td>COMMUNICATIONS</td>
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<td>Members are kept informed on key issues via Newsletters, Bulletin Boards, etc.</td>
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<td>The Board actively seeks input from members and tries to be responsive to their ideas and their</td>
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<td>complaints.</td>
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<td>Attendance is good (and enthusiastic!) at Informational Meetings where the Board welcomes questions</td>
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<td>from the membership about all aspects of the cooperative and its operation.</td>
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<td>The cooperative is known and respected in the community at large.</td>
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<td>The Board reaches out to elected officials, inviting them to events at the cooperative and seeking</td>
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<td>their support for local, state and even federal measures that are important to the cooperative and</td>
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<td>its members.</td>
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About the Publisher

Northcountry Cooperative Foundation (NCF) is the non-profit, educational affiliate of the Northcountry Cooperative Development Fund (NCDF). NCDF was founded in 1978 by a group of natural food cooperatives whose members wanted to invest their capital in business activities that supported their values. What began as a simple tool for self-preservation—a handful of co-ops lending money to each other because no one else would—soon grew into one of the first community-development loan funds in the country, and a model for community-based capital control.

Since its founding, NCDF has expanded its market beyond natural foods to include other cooperative sectors. NCDF has made millions of dollars in capital available to a range of small consumer, worker, housing and producer cooperatives and their members, playing an instrumental role in the success of these enterprises. From its beginning, serving a locally-based collaboration of small natural food cooperatives, NCDF has grown into a regional network of more than 100 community-based, democratically owned and governed enterprises.

NCF, as the non-profit arm of NCDF was formed to more effectively carry out and expand the educational and technical assistance activities with which NCDF has long been involved.

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have an odd number of board members to avoid tie votes.

Composition

Housing co-op members are typically elected from the membership at large, and only residents may serve as voting members on the board. A co-op board may consider seeking outside members with particular expertise to serve as "advisors," who would attend meetings and participate in discussions, but not cast a vote.

Meetings

Co-op boards of directors usually meet monthly. Every cooperative is required to have at least one annual meeting of all members. Some co-ops will opt for more member meetings, depending on the size of the membership and whether there is some kind of sticky issue pending. The minimum schedule for board and member meetings is defined in a co-op’s bylaws.

Term

Two or three year terms are most common. It is a good idea to stagger board members’ terms to ensure board continuity (for example: having three members of a nine-member board elected each year to three-year terms). Terms for directors are set forth in the cooperative’s bylaws.

Characteristics and Qualifications of Board Members

Most co-op bylaws specify the criteria that must be satisfied in order for a member to be eligible for election to the board of directors. The board’s first step is to make certain that candidates meet the legal criteria for eligibility.

Characteristics of Board Members

People who are willing to spend time on the work of the co-op and are good at organizing are important to any organization, but good board members need more than willingness to serve. Qualified directors are respectful, deliberative, focused and fair. In general, an effective director will exhibit the following personal characteristics:

Vision—An effective director must be able to think in terms of systems and contexts. People who focus on parts are useful to the organization, but the board needs people who not only understand how the parts function separately, but who also are drawn to the harmony of the whole. A good director must also be able to look beyond systems to the vision and values upon which the enterprise is based.

Focus with Perspective—Focusing on the job at hand and getting the work done is a primary job of any director, but an effective director must also be able to step back from the day-to-day activities and, when needed, look at something from a different point of view. A positive attitude is vital for this, as is a sense of humor.

Open-Mindedness—An effective director is open to and willing to spend time learning. The director sees board membership as an opportunity to grow, learn and work with others, and actively embraces this opportunity. The director is able to remain objective in all discussions and to deal even-handedly with issues relating to the co-op. An effective director exhibits at least as many sophisticated listening skills as sophisticated speaking skills.

Consideration—An effective director must conduct his or her duties with care, exhibiting thoughtfulness and consideration for the co-op and all its members, starting and ending every deliberation with the standard of what is right. An effective director maintains appropriate levels of confidentiality, leaves a good impression of the cooperative in all interactions, is an effective communicator and generates
enthusiasm in others. The director will remember that he or she does not represent one or a group of members, but is charged with making decisions for the membership as a whole.

Qualifications of Board Candidates
When nominating an individual for election to the board, the nominating committee or co-op member should consider the following qualities in a prospective director.

Personal Attributes
- Integrity and good character.
- Inquisitive mind, with ability to ask good questions.
- Community leader, capable of working with people.
- Ability to analyze and use good judgment, maintain confidentiality.
- Good formal or informal education background.
- Ability to express ideas clearly.
- Loyalty.
- Emotional stability.
- Energy and creativity.
- Willingness to attend regularly scheduled and special meetings of the board of directors, as well as any director training seminars.

Related Skills/Experience
- Experience in business management, including performance evaluation if the co-op has employees.
- Specific knowledge of property management, accounting, real estate or other relevant field.
- Active interest in cooperative affairs as a member.
- Ability to organize.
- Experience on other boards, working with community-based organizations.
- Knowledge and understanding of finance and ability to read financial statements.
- Demonstrated involvement in the cooperative's committees or activities.

RECRUITING BOARD MEMBERS
It is the board's responsibility to provide for its own succession. Recruitment is a year-round activity that requires all board members' participation. The final action of an effective board is to make sure that when time for the Annual Meeting rolls around, there are great new board members ready to take over where parting board members left off.

The Nominating Committee
Most cooperatives use some type of Nominating Committee to identify candidates for the board of directors. The Nominating Committee can have a tremendous impact on the direction the cooperative takes, so the selection of members to serve on the Nominating Committee is extremely important.

The nominating committee takes organizing responsibility and leadership for the following:
- Plans strategy for board recruitment.
- Establishes qualifications that should be represented in the board as a group.
- Identifies gaps in composition of the current board.
- Identifies potential candidates.
- Presents recommendations to the full board.
- Coordinates recruitment interviews.
- Orient new board members to the board.
- Conducts exit interviews with outgoing board members. Exit interviews help provide positive
closure, constructive criticism and positive feedback, and give outgoing board members an opportunity to talk about their concerns so they don't feel they need to go public with their gripes, possibly damaging the credibility of the board. Don't wait until the last minute to begin the nominating process, and don't wait to see who volunteers at the Annual Meeting. Review the qualities and characteristics of a great board member, determine if any of your neighbors possesses some of those attributes, then go after those people. Your co-op deserves the best.

Qualities of an Effective Board Member
Before recruiting individuals for the board, think about what the board as a team is charged with, and what will make the board as a team most able to fulfill its leadership responsibilities in ways that will benefit the entire co-op. The board members must be able to work together to fulfill the board's responsibilities, while representing the diverse interests of the co-op. First decide what qualities and skills you want this group to have. Then determine what qualities and skills are lacking in the group. Target your recruitment based on filling these gaps.

Some members will stand out immediately as good candidates for the board. Others will have more subtle qualities that make them potentially good candidates. Individual board members must provide the pieces that fit together to form an effective group, but no individual board member is required to have every skill or leadership quality necessary to the group as a whole. One board may need a person with particular skills and experience, while another board may need someone very different. The goal is to build an effective group; each individual is only one piece of this equation.

Sources of good board candidates may be:
- People who have participated actively at co-op (or other group) meetings or events.
- People who have shown initiative, diplomacy, knowledge and judgment in addressing issues facing your co-op or another group.
- People who are demanding change and will take on responsibility to effect change.
- People who help a meeting simply by being there—through their people skills, organizational skills, sense of humor or positive spirit.
- People who inspire trust or are seen as team builders.
- Good listeners.

People enjoy having their strengths recognized by their peers. If someone turns you down, invite that person to be on a committee or try again next year.

Pre-Screening Board Candidates
Recruitment and nomination is one of the key reasons to invite non-board members to attend a board meeting. Committees are composed of people who are not board members. It gives the person a chance to try out the board, and gives the directors a chance to assess whether the person would be a strong candidate for the board.

Some questions to consider when pre-screening potential candidates for the board:
- What gaps would this person fill in the current board?
- Why would this person make a good board member? What will he or she contribute?
- Would this person be interested in serving on the board? Why or why not?
- Would this person have time for the commitment required?
- Is this person willing to share power and work constructively with the group?
- Is there any reason this person should not be on the board?

Interviewing Board Candidates
Before the Annual Meeting (preferably several months before the meeting), the board should decide
on a slate of candidates. Current board members should volunteer to meet one-on-one with candidates to discuss the benefits and responsibilities of serving on the board and to recruit members to run for the board.

Some tips:
- Stress vision, achievements, momentum, development (not tasks, problems, recurring crises). Be enthusiastic. Stress the positive.
- Give members a realistic overview of the expectations in terms of time required, responsibilities, etc.
- Let members know what strengths you think they would bring to the group, and why you’re enthusiastic about having them, in particular, on the board.
- Offer to answer any questions they have. Ask how you can help.

Suggested questions for potential candidates:
- Please summarize your previous co-op experience.
- Why do you want to serve on the board of directors?
- What do you believe are the primary challenges facing the co-op?
- What insights skills, and experience do you have that will help the co-op meet these challenges?
- Are you committed to the mission of the organization?
- Can you contribute the time necessary to be an effective board member?
- Can you place the cooperative’s purpose and interests above professional and personal interests when making decisions as a board member?

People who are interested in board service who have not been nominated by the nominating committee can still run for the board, according to the conditions set in the cooperative’s bylaws. Usually a nomination to the board can be made from the floor during the co-op’s Annual Meeting, or in advance of the meeting by petition.

Candidate responses may be published in the newsletter or posted in the co-op for members to read. If space in the newsletter is a consideration, make sure you get approval from the candidates before editing their responses.

**Election Process**

Election of new directors to the board usually takes place at the Annual Membership Meeting. The manner in which directors can be nominated, and in which votes can be cast, is dictated in the bylaws. Check your bylaws to make certain that your election process is in compliance.

**BOARD ORIENTATION**

The best way to become familiar with the co-op when joining the board as a new director is through an orientation session. Generally, the board president conducts the orientation, but you may choose to hire an outside trainer to work under the board’s guidance. The orientation should not be restricted only to new members; it should be open to all board members.

Below is a sample outline of topics to include in an orientation. Providing board manuals for the new members will make it easy for them to follow the orientation and bring them up to speed quickly. The orientation agenda and the board manual layout are similar. You can use the board manual as an outline for the orientation, since it contains current working documents.

Participating in an orientation requires a commitment, but it’s time well spent. Have some fun with it. An orientation will increase the overall comfort level for both new and old board members and it can greatly decrease the amount of time you spend on orientation topics at your regular board meetings.

Consider implementing a mentor system for the first few months after an election, pairing each new board member with a seasoned director.
Sample Agenda for Board Orientation

1. Introductions
2. Cooperative principles, including what co-ops are and how they function
3. Vision/mission statement
4. Organizational responsibilities
   - Organization chart
   - Board job description
   - Committee structure and responsibility
   - Manager job description
5. Articles of incorporation and bylaws
   - Brief explanation of governing system
   - Legal duties
6. Policies
   - Current adopted policies
   - Drafts of proposed policies
7. Budget/financial
   - Fiscal calendar
   - Quarterly reports
   - Balance sheet
   - Income statements
   - Operations budget and capital budget
   - Budget assumptions
8. Maintenance and repair
9. Planning and publications
   - Board planning calendar
   - Long range planning
   - Annual report to membership
   - Membership and benefits of membership and board responsibility
10. Board operational procedures
    - Dynamics of the decision-making process
    - Good meeting management
    - Conflict resolution and problem-solving
    - Training opportunities
    - Member selection and compliance with fair housing regulations

BOARD OFFICERS

In addition to the general duties of each member of the board, the officers of the board have specific duties and responsibilities. Officers are elected annually by the board (not by the membership). Officers collectively are responsible for representing the co-op and the board to the outside world (that is, to the manager, members, outside contractors or vendors, and government agencies), as well as for making decisions between board meetings. Generally, most co-ops have four officers: President, Vice President, Secretary and Treasurer. Some co-ops combine the offices of Secretary and Treasurer, while others do not have a Vice President. Larger co-ops may have additional officers, such as an Assistant Treasurer. Each co-op's bylaws specify which officers the board is empowered to elect.

Officers of the co-op do not possess any powers on their own. The powers they
wield derive from the board as a whole. The co-op must be clear and specific about what kinds of decisions officers are empowered to make on their own, versus what decisions must be brought back to the a committee or the entire board for resolution and decision. For example, can the board president engage an attorney without board approval? Change insurance agents? Purchase office supplies? Purchase a routine maintenance contract for the boiler? Order the boiler fixed in the middle of the night?

Only the president can be authorized to act as a board member outside board meetings, and then only on specifically delegated responsibilities. Outside of that specific delegated authority, the president must call an emergency meeting. The only other board member who acts outside meetings is the treasurer, who may co-sign checks as appropriate and review the cooperative’s General Ledger.

One way to do avoid board officers’ abuse of power is to formulate and approve specific job descriptions for each officer which outline the areas of responsibility for each office, and then clearly delineate at what level decisions have to be brought to the full board or a committee. These would typically include expenditures over a certain amount, the signing of contracts, the hiring or firing of professional contractors or consultants, or any issues that raise policy issues or have financial or legal consequences beyond those anticipated in the co-op’s current budget or operating plan. Other decisions may be left to the officers or committees of the board for swifter action. Some co-ops will make provision for two or more officers of the cooperative to act on behalf of the co-op in an emergency (the midnight boiler repair, for example) with the stipulation that their actions are reported immediately to the rest of the board. These kind of operational issues are usually carried out by management, or by policies and procedures approved by the board if the cooperative is self-managed.

Timely and accurate communication is key to building trust and avoiding misunderstanding. Decisions made by officers and committees between board meetings should be reported at the next meeting and read into the minutes of the association. When in doubt, consult with others, and when differences of opinion occur, use the opportunity to clarify your policies and strengthen your board process.

**President**

More than any other director, the President must exhibit the essential characteristics of vision, focus with perspective, open-mindedness and thoughtfulness. Only the President can be empowered to represent the board between board meetings.

The President runs the meetings of the directors and membership. An effective President is a strong facilitator and consensus builder. He or she discerns the co-op’s most pressing needs, sets goals and then attains them. He or she manages the affairs and is responsible for the general administration of the guidelines established by the board and the membership. The President performs duties prescribed by the board, or as are necessary to accomplish the objectives of the cooperative.

The President heads a board of volunteer directors. The President ensures that directors and committees are meeting their assignments and goals in order to run a successful and harmonious co-op. While the President’s power is defined in the bylaws and policies, the person’s real power comes from the strength of the personal relationships he or she forms with board members and co-op members. The President must lead with persuasion rather than command.

The President develops the agenda for each board meeting. The President or Secretary sends the agenda, along with the treasurer’s report and the minutes of the last board meeting, to the board members several days in advance of the meeting.

The President calls meetings to order, conducts the meeting and helps board members stick to the agenda, limiting discussion to what is essential, according to policies and procedures (and Code of Conduct) developed by the board. This vital function requires a willingness to interrupt and redirect side conversations.
The President typically acts as a signing officer for the co-op on legal documents and contracts and represents the co-op to vendors, members and the community-at-large.

Personal Characteristics of an Effective President

Commitment to Service—Above all, the President must be committed to his or her role as a servant of members. An effective servant does not always do the leading, but implements the will of members.

Vision—The co-op looks to the President for inspiration. Members want to hear how good life can be in the cooperative. A good President looks for the positives and talks about them. The President must visualize how the board, committees and volunteers function separately, and also how they work together to achieve the co-op’s goals.

Perspective—The President needs to be able to step back from the day-to-day activities and assess what is happening, as if for the first time. That includes having a sense of humor.

Impartiality—An effective President is able to remain objective and open-minded in all discussions. He or she must be willing to listen to intensely different points of view.

Caring—The President must care for the conduct of the co-op and for the well being of its residents. A strong President has an ability to affect others positively and to generate enthusiasm in others.

Vice President

The Vice President presides at all meetings in the absence of the President, or at the President’s request, and performs duties delegated by either the board or the President. The Vice President reports on the activities of the President to the board in the absence of the President. He or she usually is considered to be learning the job in preparation for serving as the next President. Often, the Vice President will chair one of the committees.

Treasurer

The job of the Treasurer is to oversee the timely and accurate collection and disbursement of the cooperative’s funds. This includes making sure that the co-op’s financial records are timely and accurate at all times. The Treasurer should be authorized to co-sign checks over an agreed-upon amount and to review the General Ledger to oversee all the cooperative’s financial transactions. The Treasurer (in consultation with the Finance committee, which he or she typically chairs) is in charge of developing the co-op’s annual budget, overseeing the investment of reserve accounts and strategizing about how to deal with any budget shortfalls. The Treasurer also reviews monthly de-incentivity reports, ensures that there are workable policies for dealing quickly and confidentially with late payments, and is responsible for preparing the cooperative’s books for audit, if required. Regular duties of the Treasurer include:

General Financial Controls

• Ensure two signatures on checks.
• Have books and reports done by someone other than family members of signatories.
• Have someone other than the Treasurer balance the co-op checkbook.

Monthly Tasks

• Establish rent collection procedures.
• Record rent and expenses, all payments have invoice backup.
• Establish late rent procedures, payment plans, notice to board of directors. 
• Reconcile bank books, sign off monthly.
• Complete monthly budget report; send to board and other required institutions or entities.
Annual Tasks

- Draft annual budget for board and member approval prior to beginning of fiscal year.
- Provide annual audits and reports to lenders.
- File federal and state tax returns within two months and five days of end of fiscal year.
- File annual state reporting form by April 1 to Secretary of State.
- Ensure that insurance coverage is in place for the next fiscal year.

Each month the Treasurer oversees the reconciliation of the cooperative accounts. The Treasurer may delegate tasks and responsibilities to any member of the Finance Committee.

The Treasurer should ensure that an orderly transition occurs when a new Treasurer is elected, and help the new Treasurer master the performance of all necessary tasks.

Recordkeeping Guidelines

Generally, the Treasurer is responsible for compiling and keeping the financial records. To prevent misuse of funds and to ensure adequate oversight, however, care should be taken to segregate duties among as many people as possible. Larger organizations may delegate some of these duties to staff.

<table>
<thead>
<tr>
<th>TYPE OF RECORD</th>
<th>DESCRIPTION</th>
<th>RETENTION TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-op and Board</td>
<td>Articles of Incorporation, Bylaws, Current year's board minutes, Historical board minutes, Membership meeting minutes, House Rules, Copy of mortgage, Copy of deed, Correspondence, Grant applications, Insurance policies and certificates</td>
<td>Life of corporation + seven years, Life of corporation + seven years, Life of corporation + seven years, Life of corporation + seven years, Life of corporation + seven years, Life of corporation + seven years, Until discharged of record, Until property is sold, Two years, Two years, Two years past expiration</td>
</tr>
<tr>
<td>Financial Records</td>
<td>Bookkeeping (invoices and receipts), Bank statements, Financial reports, Audit reports, Budget reports, Tax returns, Historical financial data, Monthly resident payment records, including copies of Demand for Rent, Notices to Quit, signed payment agreements and legal eviction notices</td>
<td>Three years, Three years, Three years, Three years, Three years, Three years, Three years, Three years</td>
</tr>
<tr>
<td>Employment Records</td>
<td>Applications and references, Advertisements for help, Records of injuries, Complaints and action taken, Payroll records and employment contracts</td>
<td>One year, One year, Three years, One year, Four years</td>
</tr>
<tr>
<td>Membership Records</td>
<td>Application (not admitted), including authorization to obtain credit report, credit report, verification notes, and Notice of Adverse Action, Active resident files should include: Original application, including authorization to obtain credit report, credit report, verification notes, Acknowledgement of receipt of Articles of Incorporation, Bylaws, and House Rules, Any grievances and action taken, Any notices given the member or secured lender, Any notices from a secured lender, Copies of assignment of mortgage received, Correspondence</td>
<td>Two years, Two years</td>
</tr>
</tbody>
</table>
Good financial records result in better reporting, which will lead to better-decision making and greater public trust. The organization will also be better managed through better use of time, and the organization's assets will be safer from loss or theft.

**Secretary**

The Secretary keeps the records of the cooperative and its bylaws. The Secretary makes sure that the agenda is posted for the membership. When amendments to the bylaws are made, they should be typed, noted, dated and maintained with the bylaws, and copies should be distributed to the membership. The Secretary keeps a true record of the proceedings of all meetings of the directors and members. The Secretary is responsible for posting meeting notices, typing correspondence, updating membership and resident lists and maintaining corporate records.

**Importance of Meeting Minutes**

_Remember that meeting minutes are legal documents of the organization._ If the co-op is ever involved in a legal dispute, complete and accurate board minutes are extremely important. Most state statutes require that meeting minutes be maintained and filed in a safe place.

All meetings minutes should:

- Record the date and time the meeting began and the time it adjourned.
- Record the name of each person in attendance. Note whether the person is a board member, committee chair/member, co-op member, or a guest. Also note any board members who are absent from a meeting.
- Include:
  - Every motion, exactly as it was stated, who made each motion, who seconded it, and the result of the vote. This records the cooperative’s official business action. (Motions distinguish the legal decisions from the general discussions.) It may be helpful to record each member’s vote.
  - Announcements.
  - Date set for next meeting.
  - Time of meeting adjournment.
  - Secretary’s signature.
- Assign any follow-up needed on any business to a specific person. The board may wish to use the Action Plan form to clarify who will do what by when. This assures that things will get done.
- Be prepared within one week of the meeting. They should be written in a format that corresponds to the way in which the agenda was presented.
- Not be circulated beyond the board until after approval. All board members are responsible for checking the accuracy of minutes.
- Be approved at the next regular board meeting. This makes the minutes of a meeting an official legal document. Until they are approved they are simply the Secretary’s notes of a meeting.

**Hints:**

- Highlight or bold any motions and the vote result to make them easy to find later.
- Create a file for each year of your cooperative’s history. Put the minutes in order in each file. Keep them all in one place and pass them on to the next Secretary.
- Keep a copy of the last year’s minutes in a binder to take with you to all meetings.
- Stop the meeting discussions if you need to, to make sure you have recorded the exact wording of the motion.

_See sample Board Minutes in the Appendix._

When a new Secretary is elected, the current Secretary should ensure that an orderly transition occurs, and help the new Secretary master the performance of all necessary tasks.
BOARD PERFORMANCE STANDARDS

Codes of Ethics and Conduct are working agreements that set guidelines for ethical behavior and conduct. These agreements clearly state expectations about how the board will conduct business, and clarify any uncertainty which may exist regarding the authority exercised by the board or individual directors.

Many boards adopt formal Codes of Ethics and Conduct that set guidelines for ethical behavior and conduct. While it may seem that ethical and respectful behavior can be assumed of all directors, many co-ops find that it helps to have a formal agreement to make sure that everyone is on the same page, and to more swiftly and effectively deal with any lapses in judgment. Adhering to a formal set of guidelines may provide a degree of legal protection for directors in case of a lawsuit related to the board’s actions or decisions.

The following statements of agreement clearly state expectations about how the board will conduct business. You may want to adapt these, or write your own.

Board of Directors Code of Conduct

As a co-op director, I pledge to do my best for the co-op and will:
• Devote the time needed to fulfill the responsibilities of the position.
• Attend all regular and special board and committee meetings.
• Be prompt, attentive and prepared for all board and committee meetings.
• Contribute to and encourage open, respectful and thorough discussions by the board.
• To enhance board understanding and cohesiveness, attend and actively participate in the board’s training sessions and annual planning retreat.
• Consider the business of the co-op and its members to be confidential in nature.
• Disclose any personal or organizational conflict of interest in which I may be involved, and refrain from discussing or voting on any issues related to that conflict.
• Be honest, helpful, diligent and respectful in my dealings with the co-op, other directors and the co-op’s management, staff and members.
• Refrain from becoming financially involved or associated with any business or agency that has interests that are, or could be perceived to be, in conflict with the co-op’s interests.
• Work for continued and increased effectiveness in the co-op’s ability to serve its member-owners.
• Be a team player and agree to abide by the majority action of the board, even if it is not my own personal opinion.
• Present the agreed-upon view of the board of directors, rather than my own, when I speak on behalf of the co-op to employees, members, shoppers and the general public.
• Refrain from asking for special privileges as a board member.
• Work to ensure that the co-op is controlled in a democratic fashion and that all elections are public, fair and open to the participation of all members.
• Strive at all times to keep members informed of the co-op’s status and plans and of the board’s work.
• Continually seek opportunities to learn more about the co-op and its operations and about my responsibilities as a board member.

As a co-op director, I agree to abide by this Statement of Agreement. I agree that if, in the opinion of the majority of co-op directors, I have violated the letter or spirit of this agreement, I shall resign my position on the board immediately and shall not cause continued disruption to the co-op and the co-op board.

Signature

Date