

# 2016

## ONPHA Conference and Trade Show

### 107

# Managing Rapid Growth Within Small Organizations

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ONPhA



Welcome to our learning  
session!

# Workshop Overview

- Introductions of the speakers and background of organizations
- Broad overview of role of the Board
- Prepping for development
- Q&A



# Workshop Goals

## Participants will be able to:

- Describe the Board's role in the governance and management of a non-profit to ensure the organization's stability
- Explain the Board's role in leading a diverse community and identify the key elements of effective Board functioning to ensure good governance
- Identify the key elements in preparing for and managing growth



# About OCISO NPH Corporation

OCISO NPH has 200 units spread out over three properties:

- Phase I opened its doors in 1994
  - 62 unit 9-story apartment building
  - 1-, 2-, 3- and 5-bedroom flats
  - Commercial tenant space
  - Administrative office space





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# About OCISO NPH Corporation - 2

- Phase II was completed in 2011
  - 64 3-bedroom townhouse units from the 1940s were purchased and renovated
  - Renovations include new roofs, building envelopes, furnaces, hot water tanks, kitchens, windows, doors, front and back porches, furring in insulation, insulating basements
  - 14 of the units were converted into 4-bedroom units with the addition of a bedroom, full bathroom and laundry room in the basement
  - In 2012, City money was allocated towards the landscaping, installing sewers and paving parking lots





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# About OCISO NPH Corporation - 3

- Phase III was completed in August 2014
  - Land was donated
  - Built with AHI money from the province
  - 8-story 62- unit tower containing 1-, 2-, 3-bedroom flats flanked by 10 4-bedroom townhouses
  - 7 1-bedroom and 1 4-bedroom units are accessible
  - Administrative space
  - Office for commercial tenant
  - Amenity space for tenant use
  - Barrier-free terrace
  - Bike room





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# About OCISO NPH Corporation - 4

- In 2014, just before the occupancy of Phase III, the property management company quit
- The Board hired the development consultant company as emergency interim property manager
- During the winter of 2014-2015, the Board explored some merger options and decided against it
- In Spring 2015, the Board hired an Executive Director
- 18 months after being hired, the ED and the Board are still working towards stabilizing the organization



# About Multifaith Housing Initiative

- Established in 2001 as a Registered Charity
- Works with over 70 faith groups to provide housing to low income households
- 2008-2016 – Owns and operates 41 apartment units over three project sites
- Two projects in development representing another 138 units
- Provides support to tenants through its volunteers.



# The Board of Directors & Nine Standing Committees

- Executive Committee,
- Finance Committee,
- Fund Raising Committee,
- Development Committee - Sub: Haven WG, Veteran House WG,
- Housing Management Committee - SUB: Tenant Relations Team, Property Maintenance,
- Membership and Outreach Committee,
- Communications Committee,
- Human Resources Committee, and
- Nominations Committee.



# May 2013 – November 2014:

MHI starts planning for a Veterans House Build through partnership creation, project visualization, and solidification of intent



# December 2014

## City of Ottawa awards MHI the Action Ottawa grant

- MHI will build a new 98 unit inclusive, and affordable community on Longfields
- Mix of low-rise apartments and townhouses for families
- 100% visitable
- Focus on community
- Smoke-free







455 VIA VERONA  
HOUSING PROPOSAL

CONCEPT RENDERING



April, 2015



# Board Basics

Directors have responsibility to act:

- honestly
- in good faith
- in the co-op's best interests

## ***Ethical conduct***

- Sign Ethical Conduct Agreement



# Role of the Board

## Governance

- The Board is responsible for ensuring good governance of the NPH. Governance means the guidance and safe-keeping of the organization, along with ethical decision-making.
- The Board must keep its eye on the big picture to make sure that all aspects of the organization's operation are functioning well, now, and into the future.



# Role of the Board in Management

- Set the overall direction
- Provide guidance to managers
- Keep a careful eye on results



# Setting the Direction

- Take time to evaluate the organization and its operations.
- Look ahead and decide how best to prepare the organization for the future.
- Be aware of trends and issues in the sector and the larger community that could affect the organization.
- Protect the organization from risk.
- Ask for input from the manager, members and tenants.



# Annual Planning

## Goal Setting:

- Choose 4 or 5 priorities that will improve different aspects of the organization's operations and develop a work plan to achieve goals

## Financial Planning:

- Ask members to approve annual operating budget
- Update capital replacement plan and reserve fund planning
- Review / adjust investments

## Succession Planning:

- Recruit new, potential Board members
- Evaluate your success / performance!



# Provide Guidance to Managers

## Managers focus on 4 key areas:

- Managing the finances
- Keeping the organization in good repair
- Keeping the organization full
- Meeting legal requirements



# Managing the Finances – 1

The board is looking for a budget that will:

- Pay the organization's expenses
- Hire / pay for good management
- Allow effective property maintenance
- Help to put money aside in capital reserves for future repairs and replacements
- Allow participation in sector events
- Allow directors and staff to attend educational events



# Managing the Finances – 2

The Board is looking for monthly financial reports that indicate:

- Revenues are on target and cover expenses
- Arrears are being managed
- Vacancies are under control – within budgeted vacancy loss
- Staff is trying to collect bad debts



# Managing the Finances – 3

## The Board's Focus on Investments:

- NPH's reserves are invested to maximize returns while keeping needed cash available for repairs
- Funds in the NPH's bank accounts are earning maximum interest available
- Paying the lowest interest rate possible for mortgage



# Managing the Finances – 4

## The Board's Focus on Financial Controls:

- Insurance policy protects Organization's assets
- An annual management letter from the auditor comments on controls
- Measures are in place to prevent fraud
- Bookkeeping and banking systems are sound



# Maintaining the NPH Property - 1

Results the Board is looking for:

- tenants are carrying out their maintenance responsibilities and are respecting the legislations, bylaws and policies
- the maintenance responsibilities are clearly divided between management & tenants



# Maintaining the NPH Property - 2

The board should ensure that the organization has routine and preventative maintenance schedules for:

- Units
- Common areas
- Building elements and property



# Maintaining the NPH Property – 3

Board should ensure that there are proper procedures for awarding contracts:

- There is a written scope of work when tendering
- There are 3 estimates (unless a regular contract)
- References are checked
- There is a written agreement for work (contract)
- A standard contract is used if the job is large or complex
- The contractor provides proof of WSIB coverage



# Maintaining the NPH Property – 4

Board needs a plan for repairing or replacing/building elements as they wear out (*to be updated annually*) outlining:

- Which capital items must be replaced each year
- How much money replacements will cost each year
- How much money you need to set aside each year for future replacements



# Leading a Diverse Community – 1

Results the Board is looking for:

- Directors represent diverse groups in the organization
- The Board considers the needs of different groups in the organization when making decisions
- The Board encourages debate on issues affecting the organization
- The Board treats all tenants fairly and consistently
- The Board manages conflict before it becomes destructive (?)



# Leading a Diverse Community – 2

How the Board can find new leaders:

- Members take turns leading committees, if applicable
- Training and support are provided to committee chairs, if applicable
- The organization's youth are involved in activities
- Each year there are candidates for the board election
- Effective members' meetings



# Board Functioning: Working Together

*The Board's business is done in meetings.*

Results the Board is looking for:

- A skilled and experienced chairperson
- Agenda is prepared and followed
- Minutes record decisions of the meeting accurately
- All directors share responsibility for having effective meetings
- Directors take on an equal share of the Board's work



# Role of Board and Management Summary

- Board sets overall direction
- Management operates within guidelines set by the Board: work plan, budgets, policies
- Board monitors results
- Management provides advice, makes recommendations
- Board is responsible to members
- Management is responsible to the Board



# Employing Staff / Management Company Checklist:

- A written contract
- A competitive wage / fee
- A written job description that is up-to-date
- A staff liaison officer / Board rep
- Regular management reports to the Board
- Annual performance appraisal
- Staff training



# Evaluation of Management - 1

- Needs to be completed annually, or as required by Personnel Policies or contracts
- Should be based on criteria set out in job description/ scope of work
- Any special projects or initiatives should be set out during strategic planning or annual planning, should be included in a work plan with measurable goals



# Evaluation of Management - 2

- Evaluation should be done by staff/ management, Liaison or Board Chair with input from the board. The employee/ management should have the opportunity to comment.
- Professional Development and training goals should be set based on evaluation results.



# How to prepare for growth





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# Step 1: Organizational Review: Internal Inventory

- Staff
- Terms of References
- Policies



# Step 2: Landscape Analysis

- What do other organizations that are the size we are going to be look like?
- How do they operate? (i.e. Organizational structure)
- Staff size



# Step 3: Plan of Action

- A. Make an inventory of what changes will need to be implemented for the organization
- B. Add a timeline to those changes = 3 categories:
  - i. Before construction / pre-construction
  - ii. During construction
  - iii. Rent up & Transitions
- C. Create a Work Plan for each change



# Questions?



**Thank you!**

**Please don't forget to complete  
your workshop evaluation!**