

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-bedrom 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



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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!