



PROPERTY MANAGEMENT COMPANY EVALUATION TOOL

FOR CLIENTS OF

THE AGENCY FOR CO-OPERATIVE HOUSING

Property Management Company Evaluation Tool

Introduction

The Agency for Co-operative Housing's Model Management Services Agreement gives clients the option of an annual evaluation of the service provided by management companies (clause 18). We have developed an evaluation tool for this purpose, based on those agreement schedules that set out the core property management services and the service levels associated with them. Because an annual evaluation is optional, neither the co-operative nor the manager has any liability if an evaluation does not take place.

The purpose of the evaluation is to

- § acknowledge good service
- § provide an opportunity to resolve any problems identified by the co-operative or the manager, including concerns about service quality.

For the manager, the evaluation also serves as a self-assessment tool to which they can refer throughout the year to ensure they are continuing to provide good service.

Because successful governance and management at a housing co-operative are closely linked, continuous improvement of its management also strengthens its governance.

The management evaluation calls for the active participation of both the co-operative's board of directors and its property manager. The board should first direct management to complete a self-assessment. The board should then set aside one meeting to allow the directors to complete the evaluation together without the manager present. A special meeting should be scheduled with management well in advance at a date agreeable to both parties. The purpose of this meeting is to compare the results of the board's evaluation with management's self-assessment and plan to address any problems identified.

The board must keep in mind that it is evaluating the service and not the individuals providing it. Directors should be looking for specific outcomes associated with the duties it has delegated to management under the signed Management Services Agreement. This evaluation tool will assist the board with that task.

It is important to remember that the annual evaluation does not replace regular communication between the board and management.

How to Use This Management Evaluation Tool

Review each category of services and assign a rating for each service group within it (e.g., Occupancy Management: Marketing and Member Selection). Make sure to provide comments that support the assigned rating to ensure that discussion at the scheduled meeting with the manager will be based on specifics.

Rating Scale:

Score the services on a scale of 1 to 5, where

5 = exceeds expectations when the service the co-op has received is frequently exceptional

3 = meets expectations when the service the co-op has received is consistently what was asked for in the contract

1 = needs improvement when the service the co-op has received falls short of the standard asked for in the contract.

The rating assigned for each service should make it easier to track changes in the management company's overall performance from one evaluation to the next.

PROCESS

Step 1 - The Board of Directors asks management to complete a self-assessment and schedules a meeting to discuss it.

Step 2 - Management completes the Evaluation Tool independently.

Step 3 - The directors meet to complete the Evaluation Tool together.

Step 4 - The evaluations are shared one week ahead of the scheduled meeting between the Board and management.

Step 5 - The Board and management meet to compare the results, review differences and plan how to address any issues that come out of the evaluation process.

Step 6 - The Board documents its expectations and any specific actions or changes discussed at the meeting and agreed on with the management company.

Step 7 - The manager confirms its agreement in writing with any changes.

Property Management Company Evaluation Tool Core Property Management Services

Conducted by: _____

Date: _____

Rating Scale: Rate each service group below (e.g., Occupancy Management: Marketing and Member Selection) on a scale of 1 to 5, where 5 = Exceeds Expectations, 3 = Meets Expectations and 1 = Needs Improvement.

Occupancy Management	Rating
<p>Marketing and Member Selection</p> <ul style="list-style-type: none"> § Develop marketing strategies and plans § Advertise units § Administer waiting lists for subsidized units § Ensure that vacated units were redecorated, repaired and refurbished as necessary § Respond to membership enquiries and make arrangements to show units § Check landlord references and credit ratings of prospective members § Direct membership applications to the Board for approval § Advise applicants of the approval or rejection of their applications § Administer housing agreements with support service agencies, if any 	

Occupancy Management	Rating
<p>Move-ins, Relocations and Move-outs</p> <ul style="list-style-type: none"> § Prepare occupancy agreements with new occupants § Receive required fees, charges and deposits § Co-ordinate move-in arrangements § Provide incoming Members with basic information about the co-operative § Maintain all membership records § Ensure that the co-operative welcomes and orients new Members § Maintain an internal relocation waiting list § Administer all move-outs and relocations within the Property § As applicable, process sub-occupancies, guest agreements and membership applications from non-member residents § Co-ordinate move-outs, internal moves and move-ins to minimize vacancy loss, quickly restoring units to market-ready condition following move-outs, as necessary 	
<p>Parking</p> <ul style="list-style-type: none"> § Manage the co-operative's parking area, including letting spaces and administering external rentals § Ensure that regular maintenance of the parking areas is carried out § See to the enforcement of the co-operative's parking regulations 	
<p>Occupancy By-law Administration</p> <ul style="list-style-type: none"> § Enforce the terms of the co-operative's occupancy by-law and agreements 	
<p>Enquiries and Communications</p> <ul style="list-style-type: none"> § Answer enquiries from Members and the general public § Direct Member complaints and concerns to the Board or appropriate committee § Provide information to Members on the co-operative's by-laws and policies § Communicate other information to the Members at the request of the Board 	

Occupancy Management	Rating
<p>Reporting</p> <ul style="list-style-type: none"> § Report monthly to the Board on turnover, vacancy losses, and marketing efforts, using the form set out in Schedule B-4 § Report monthly to the Board on rental incentives granted to occupants, using the form set out in Schedule B-5 	
Comments:	
CATEGORY SCORE	

Revenue Collection	Rating
<p>Administration of Housing and Other Charges</p> <ul style="list-style-type: none"> § Prepare notices to residents of changes in housing and other charges § Receive payments of housing and other charges § Collect any member shares, loans or deposits, including any maintenance deposits, required to be paid by applicants or Members § Issue notices of and collect any required increases in member shares, loans or deposits § Levy charges to Members as necessary following move-out inspections § Refund member shares, loans or deposits following move-outs, less any amounts owing to the co-operative § Deposit all receipts promptly in the co-operative's bank, trust, credit union or caisse populaire account 	
<p>Arrears Management</p> <ul style="list-style-type: none"> § Issue reminders and notices in connection with unpaid housing and other charges § Levy late fines § Actively pursue the collection of unpaid charges, with a view to keeping receivables and bad debts to a minimum § Execute and administer arrears repayment agreements approved by the Board § Carry out eviction proceedings without delay, working with the co-operative's lawyer as necessary to obtain writs of possession § Where practicable, pursue, through small claims court, judgments for amounts due § Forward unpaid accounts of past Members for collection 	

Revenue Collection	Rating
Reporting § Report regularly to the Board on all arrears and the status of collection efforts using the form set out in Schedule B-6	
Comments:	
CATEGORY SCORE	

Housing Charge Assistance Program	Rating
Administration of Subsidies § Administer the co-operative's housing-charge assistance and/or rent-supplement program § Conduct annual income verifications § Calculate assisted housing charges § Ensure that all government requirements and relevant by-laws and policies of the co-operative are observed § Maintain an internal list of households needing a subsidy § Advise occupants about their entitlement to assistance § Process initial applications for assistance, renewals, and adjustments occasioned by changes in household income or composition § Execute subsidy agreements with occupants	
Record Keeping and Reporting § Maintain full and complete assistance and/or rent supplement records § Prepare and submit monthly rent-supplement assistance claims § Prepare annual reconciliations of housing-charge/rent-supplement assistance used	
Comments:	
CATEGORY SCORE	

Financial Management	Rating
<p>Financial Controls</p> <ul style="list-style-type: none"> § Ensure that effective financial controls are in place in the co-operative § Recommend appropriate financial policies to the Board § Administer approved policies 	
<p>Budgeting</p> <ul style="list-style-type: none"> § Prepare detailed annual capital and operating Budgets for the co-operative, based on the Manager's best estimates, for the approval of the Board and Members 	
<p>Accounts Payable</p> <ul style="list-style-type: none"> § Arrange for the payment by the co-operative of all bills properly incurred in the operation and maintenance of the Property as they became due, or earlier in order to take advantage of discounts § Apply for any rebates of HST for which the co-operative may be eligible 	
<p>Reserves and Investments</p> <ul style="list-style-type: none"> § Allocate the required amounts to the co-operative's capital-replacement reserve each month, in accordance with the approved operating Budget § Invest the co-operative's surplus operating funds and capital-replacement reserve, in accordance with the Board's direction and the requirements of the co-operative's operating agreement with CMHC 	

Financial Management	Rating
<p>Accounting and Financial Reporting</p> <ul style="list-style-type: none"> § Maintain the co-operative's books of account in accordance with good accounting practice § Record all assets, liabilities, income and expenses promptly, accurately and on a full accrual basis § Prepare and forward to the Board for approval monthly financial reports, including a balance sheet, income statement with comparisons to budget and cash-flow statement, explaining the statements and pointing out significant variations from budget and areas of concern § Prepare and provide the co-operative's Treasurer with monthly reconciliations of the balance-sheet accounts, including all bank accounts § Provide the Treasurer with a complete electronic copy and a complete printout of the books and accounts each month § Carry out all necessary preparations for the annual audit of the co-operative's accounts by an independent auditor appointed by the Members § Liaise with the co-operative's auditor § File or cause to be filed required financial statements and returns with the Agency on the co-operative's behalf § Arrange to have prepared and filed with the appropriate government departments any tax or information returns required to be filed by the co-operative 	
<p>Insurance</p> <ul style="list-style-type: none"> § Advise the Board on the co-operative's insurance needs § Ensure that appropriate policies, in the full amount recommended by the Agency or any greater amount required by good business practice, are in place at all times to protect against liability and loss of assets § Adjust the limits as required annually § Administer claims 	
<p>Comments:</p>	
<p>CATEGORY SCORE</p>	

Management of the Physical Plant	Rating
<p>Utilities and Services</p> <ul style="list-style-type: none"> § Arrange for the supply of electricity, gas, water, garbage disposal, recycling and other services to the Property § (OPTIONAL - include only if relevant) Arrange for and manage building security systems and services 	
<p>Maintenance, Repairs and Improvements</p> <ul style="list-style-type: none"> § Develop and update from time to time a plan for the routine and preventive maintenance of the Property § Purchase maintenance equipment and supplies § Cause to be performed all routine maintenance and caretaking activities, ensuring that indoor and outdoor common areas, including equipment and storage rooms, were properly lit, neat, clean and free of litter, and that outdoor areas are reasonably free from ice and snow § Ensure that the co-operative's maintenance equipment is kept in proper working order § See to it that the co-operative has good "curb appeal" § Keep units and common areas free of pests § Cause the Property to be maintained in a good state of repair and in compliance with all applicable building codes and health and safety regulations § Direct and supervise any on-site maintenance and caretaking personnel § Engage outside contractors as necessary to perform preventive and corrective maintenance, repairs and replacements to the co-operative's buildings, grounds and equipment § Respond promptly to requests from residents for emergency and other repairs § Maintain an effective work-order system § Administer service and product warranty claims § Ensure that the Property complies with the fire code, elevator code, electrical safety authority rules and all other legal and regulatory requirements related to the Property § Ensure that the co-operative has and maintains all necessary systems, procedures and measures related to health and safety, emergency response and security and is free of hazards § Develop and maintain a risk management plan § Plan, organize and supervise capital repairs with an estimated Capital Cost of \$30,000 or less § Assist the co-operative in engaging the services of a qualified project manager to plan and oversee larger capital repair projects § Assist the co-operative in obtaining or updating a professional assessment of the condition of its buildings, grounds and equipment and a capital replacement reserve plan § Assist the co-operative in taking initiatives to reduce its energy and water usage and improve its waste-management practices 	

Management of the Physical Plant	Rating
<p>Inspections</p> <ul style="list-style-type: none"> § Ensure that each housing unit is inspected once a year and whenever a household moves out § Conduct bi-weekly inspections of the common elements and grounds and a comprehensive inspection every six months § Provide the Board with a detailed written report recommending any capital/replacement work to be performed, along with cost estimates for such work 	
<p>Record Keeping and Reporting</p> <ul style="list-style-type: none"> § Establish and maintain proper repair and maintenance records § Ensure that log books are maintained for all major mechanical and electrical equipment § Report regularly to the Board on the maintenance of the Property 	
Comments:	
CATEGORY SCORE	

Governance and Corporate Services	Rating
<p>Board and Members' Meetings</p> <ul style="list-style-type: none"> § Prepare regular reports to and have a senior member of the Manager's staff attend meetings of the Board and Members § Direct information and correspondence to the Board or appropriate officer of the Co-operative, assisting as necessary with the co-operative's response § Record minutes of board and Members' meetings for the approval of the Board or Members § Deliver to the Board an occurrence report for any significant accident, emergency, break-down or other situation or occurrence that, in the opinion of the Manager, the Board should be made aware of 	
<p>General Support to the Board</p> <ul style="list-style-type: none"> § Provide the Board with the information and advice it needs, in a clear form, to fulfill its duties and make sound decisions; § Promote and assist with effective two-way communication between the Board and Members § Help the Board provide Members with the information they need, in a clear form, to stay informed about the co-operative and take sound decisions § Organize and attend an annual board planning session 	

Governance and Corporate Services	Rating
<p>Legal Compliance and By-laws</p> <ul style="list-style-type: none"> § Administer the co-operative's organizational by-laws § Liaise with the co-operative's lawyer and ensure compliance with the <i>Co-operative Corporations Act</i> and other laws governing the co-operative § Ensure compliance with the co-operative's operating and any other agreements with CMHC § Advise and consult with the Board with respect to any further by-laws or rules that would contribute to the satisfactory and harmonious operation of the Property for the common benefit of the Members § Communicate to all Members the text and import of any new by-laws or policies adopted 	
<p>Record Keeping and Reporting</p> <ul style="list-style-type: none"> § Maintain and keep current the co-operative's corporate records, including minute books and registers of members and directors § File notices and information returns with public bodies § File required reports and notices with the Agency § Complete and submit to the Agency monthly monitoring reports and financial statements throughout the workout-loan advancing and repayment period § As requested, make available to the co-operative, its auditors, CMHC, the Agency, or any officer of the co-operative all books and records pertaining to the operation of the Property and business of the Co-operative, at reasonable times, and upon reasonable notice 	

Governance and Corporate Services	Rating
<p>Personnel Administration As applicable with respect to all employees or other staff persons for whom the co-operative or its directors or officers might have had legal liability:</p> <ul style="list-style-type: none"> § Pay wages § Deduct and remit all necessary sums for income taxes, Employer's Health Tax, Canada Pension Plan contributions and Employment Insurance § Remit group benefits and workers' compensation premiums [WSIB (ON), WCB (Alberta & PEI) and WorkSafe (BC)] § Maintain proper payroll records § Issue annual T4s § Issue record of employment forms § Administer employee benefits program § Maintain personnel records § Maintain required workers' compensation records and prepare claims, if necessary 	
Comments:	
CATEGORY SCORE	
OVERALL SCORE	

SERVICE LEVELS: PROPERTY MANAGEMENT DUTIES

SERVICE	SERVICE LEVEL	Rating
OCCUPANCY MANAGEMENT		
Arrange for repair and redecoration of units on occupancy turnover	Work to be completed within 15 business days of move-out, funds permitting	
Perform credit and reference checks of prospective occupants	Within 1 business day of receipt of application	
Prepare occupancy agreements with new residents	Agreement to be signed within 2 business days of applicant acceptance of unit offer	
Submit names of new Members to Board for ratification of approval	At first board meeting following applicant's acceptance of unit offer	
Prepare and submit monthly vacancy and rental incentives report to Board	No later than 10th day of month or first board meeting following month end, if earlier	
Respond to information requests from Members and the general public	No later than next business day after receipt of request in person or by telephone, mail or e-mail	
Comments:		
CATEGORY SCORE		
REVENUE COLLECTION		
Deposit housing charges and other receipts	On day of receipt during first week of the month; otherwise, within 5 days of receipt	
Issue first reminder notices and levy late-payment fines to households failing to pay housing or other charges when due	By end of first business day after day on which charges are due or, if payment returned due to insufficient funds, on learning of the return	
Issue second reminder notices to households failing to pay housing or other charges when due	By end of 2nd business day after day on which charges are due	
Issue Notices to Appear to all households still in arrears	By end of 4th business day after day on which charges are due or earliest date permitted under co-operative's by-laws, if later	

SERVICE	SERVICE LEVEL	Rating
REVENUE COLLECTION		
Prepare and submit monthly arrears report to Board	By start of regular monthly board meeting	
Issue notices to residents of changes in housing and other charges	No later than 1 day before latest date allowed under co-operative's by-laws	
Comments:		
CATEGORY SCORE		
FINANCIAL MANAGEMENT		
Submit annual capital and operating budget proposals for Board approval	No later than 4 calendar months before start of co-operative's fiscal year	
Distribute board-approved budget to Members for approval	No later than 10 days before Members' meeting called for this purpose	
Pay bills	By due date or, if offered, discount date	
Refund member shares, loans or deposits to former Members	Within time period set out in co-operative's occupancy by-law	
Produce monthly financial statements (balance sheet and income statement) and reconciliations of balance sheet accounts	By 15th business day following end of month	
Prepare accounts for annual audit	By end of first month following end of co-operative's fiscal year	
Ensure co-operative's auditor files Annual Information Return and all required supporting documents with Agency	Return due no later than 4 months following co-operative's fiscal year end	
Apply on co-operative's behalf for HST rebates	Within 2 weeks of Board adoption of co-operative's audited financial statement	
Comments:		
CATEGORY SCORE		

SERVICE	SERVICE LEVEL	Rating
MANAGEMENT OF PHYSICAL PLANT		
Respond to service requests from occupants	Interim response no later than next business day giving indication of when service request will be dealt with	
Comments:		
CATEGORY SCORE		
GOVERNANCE AND CORPORATE SERVICES		
Prepare and distribute monthly operations report to Board	No later than 2 days before regular monthly board meeting	
Attend board meetings	One meeting each month not normally exceeding 3 hours in length	
Prepare minutes of board meetings	Within 7 business days of meeting	
Issue notices of Members' meetings	No later than 10 days before meeting, not counting day of meeting	
Attend Members' meetings	Two meetings a year	
Prepare minutes of Members' meetings	Within 5 business days of meeting	
File notice of change in board of directors	Within ten days of date of change	
Comments:		
CATEGORY SCORE		

SERVICE	SERVICE LEVEL	Rating
HOUSING CHARGE ASSISTANCE PROGRAM		
Obtain annual housing-charge subsidy/rent supplement income verifications	No later than 3 months prior to end of co-operative's fiscal year	
Advise subsidized occupants of charges payable in new fiscal year	No later than 2 months prior to start of co-operative's fiscal year	
Prepare and submit to auditor annual income-tested/rent-supplement assistance reconciliation	No later than 1 month following last day of co-operative's fiscal year	
Comments:		
CATEGORY SCORE		
PERSONNEL ADMINISTRATION (as applicable)		
Pay employees	In accordance with terms of employment contract	
Remit payroll deductions and payroll taxes	By statutory due date	
Issue T4s	By statutory due date	
Comments:		
CATEGORY SCORE		
OVERALL SCORE		