



## *The* CO-OPERATIVE HOUSING FEDERATION *of Canada*



### Introducing The Good Governance Test

CHF Canada is asking member co-ops to help us make 2011 **The Year of Getting Governance Right**. Good governance means a strong, well-led board and an engaged co-op membership. It's the foundation of every successful co-op. And it's how we deliver on our commitment to run our own co-ops well and offer good housing service to members.

As part of our program of support for good governance in 2011, we've created a tool that allows co-op boards to look at how well they are doing. It's called The Good Governance Test. We're challenging all of CHF Canada's members to take it.

The Good Governance Test comes in the form of four sets of statements about the board's performance—for example, the board plans for leadership renewal—to which you answer yes if the statement is true of your board, and no if it isn't. The test covers the board as a whole, the directors individually, meetings of the board, and how members' meetings are run.

It's also flexible. Your directors can take The Good Governance Test as a group, coming up with answers together for each statement. Or, directors can take it individually. If you go that way, you can add the results together afterwards to find out what the board as a whole thinks about how it's doing. And if you're really brave, you can ask interested co-op members to tell you what they think by having them take the test too.

So—take up our challenge and try The Good Governance Test at your co-op!

# The Good Governance Test

| <i>Your board of directors:</i> |                                                                                                                                                               | Yes                      | No                       |
|---------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1                               | Has no vacancies                                                                                                                                              | <input type="checkbox"/> | <input type="checkbox"/> |
| 2                               | Always recruits more candidates than there are vacancies whenever elections are held                                                                          | <input type="checkbox"/> | <input type="checkbox"/> |
| 3                               | Receives and carefully reviews monthly financial statements                                                                                                   | <input type="checkbox"/> | <input type="checkbox"/> |
| 4                               | Understands the difference between governance and management                                                                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| 5                               | Holds an annual planning session to establish its goals and priorities for the year ahead                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 6                               | Holds an annual training session for directors                                                                                                                | <input type="checkbox"/> | <input type="checkbox"/> |
| 7                               | Communicates regularly with members to keep them up to date on co-op business                                                                                 | <input type="checkbox"/> | <input type="checkbox"/> |
| 8                               | Holds regular monthly board meetings                                                                                                                          | <input type="checkbox"/> | <input type="checkbox"/> |
| 9                               | Calls regular members' meetings, but only when they're needed                                                                                                 | <input type="checkbox"/> | <input type="checkbox"/> |
| 10                              | Manages committees by setting their terms of reference, confirming committee appointments, and receiving regular reports to approve committee recommendations | <input type="checkbox"/> | <input type="checkbox"/> |
| 11                              | Formally evaluates its own performance at least once a year                                                                                                   | <input type="checkbox"/> | <input type="checkbox"/> |
| 12                              | Plans for leadership renewal on the board                                                                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 13                              | Has a reputation among members for being fair, responsive and accountable                                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 14                              | Asks members if they are satisfied with the service provided by the co-op, and does something about it if they aren't                                         | <input type="checkbox"/> | <input type="checkbox"/> |
| 15                              | Reviews all of the co-op's legal agreements annually to ensure compliance                                                                                     | <input type="checkbox"/> | <input type="checkbox"/> |

| <i>Your directors:</i> |                                                                                           | Yes                      | No                       |
|------------------------|-------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1                      | Sign ethical conduct agreements annually                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| 2                      | Attend board meetings regularly                                                           | <input type="checkbox"/> | <input type="checkbox"/> |
| 3                      | Come to board meetings well prepared and contribute actively to discussions and decisions | <input type="checkbox"/> | <input type="checkbox"/> |
| 4                      | Can disagree among themselves without being disagreeable                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| 5                      | Always put the co-op's interests ahead of their own                                       | <input type="checkbox"/> | <input type="checkbox"/> |

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| <i><b>Your directors (continued):</b></i> |                                                                                                       | <b>Yes</b>               | <b>No</b>                |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 6                                         | Never discuss confidential board business outside of the boardroom                                    | <input type="checkbox"/> | <input type="checkbox"/> |
| 7                                         | Support board decisions publicly even when there is disagreement in the boardroom                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 8                                         | Lead by example and model co-operative behaviour                                                      | <input type="checkbox"/> | <input type="checkbox"/> |
| 9                                         | Make the right decisions, not necessarily the popular ones                                            | <input type="checkbox"/> | <input type="checkbox"/> |
| 10                                        | Attend board training when it is offered                                                              | <input type="checkbox"/> | <input type="checkbox"/> |
| 11                                        | Understand their individual legal duties and obligations                                              | <input type="checkbox"/> | <input type="checkbox"/> |
| 12                                        | Are aware of the co-op by-laws/rules, Occupancy Agreement, and policies, and consistently apply them. | <input type="checkbox"/> | <input type="checkbox"/> |

| <i><b>Your board meetings</b></i> |                                                                                                            | <b>Yes</b>               | <b>No</b>                |
|-----------------------------------|------------------------------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1                                 | Agendas, minutes, financial statements and important decision items are circulated to directors in advance | <input type="checkbox"/> | <input type="checkbox"/> |
| 2                                 | Board meetings don't last longer than two hours                                                            | <input type="checkbox"/> | <input type="checkbox"/> |
| 3                                 | Board meetings are well chaired and end on time                                                            | <input type="checkbox"/> | <input type="checkbox"/> |
| 4                                 | Meetings are civil and issues are not personalized                                                         | <input type="checkbox"/> | <input type="checkbox"/> |
| 5                                 | The board meets no more often than monthly                                                                 | <input type="checkbox"/> | <input type="checkbox"/> |

| <i><b>Your member meetings</b></i> |                                                                                    | <b>Yes</b>               | <b>No</b>                |
|------------------------------------|------------------------------------------------------------------------------------|--------------------------|--------------------------|
| 1                                  | Members receive advance information on matters requiring decisions at meetings     | <input type="checkbox"/> | <input type="checkbox"/> |
| 2                                  | Meetings include a social element                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| 3                                  | Meetings include an education component                                            | <input type="checkbox"/> | <input type="checkbox"/> |
| 4                                  | Meetings start and finish on time                                                  | <input type="checkbox"/> | <input type="checkbox"/> |
| 5                                  | The board makes meaningful reports to members and invites feedback, even criticism | <input type="checkbox"/> | <input type="checkbox"/> |
| 6                                  | Meetings are well chaired and the tone is lively and respectful                    | <input type="checkbox"/> | <input type="checkbox"/> |
| 7                                  | Members understand their role in the governance of the co-op                       | <input type="checkbox"/> | <input type="checkbox"/> |
| 8                                  | Meetings are interesting and fun                                                   | <input type="checkbox"/> | <input type="checkbox"/> |