



# New Board Member Training

## Cooperative & Its Principles

- Cooperative IDENTITY Statement
- Cooperative VALUE Statement
- Rochdale Principles
  - The Rochdale Principles originated in 1844 in Rochdale, England by a group of weavers who opened a co-op store; this is considered the birthplace of modern cooperatives
- 1ST Rochdale Principle: Voluntary & Open Membership
- 2nd Rochdale Principle: Democratic Member Control
- 3rd Rochdale Principle: Member Economic Participation
- 4th Rochdale Principle:Autonomy & Independence
- 5th Rochdale Principle: Education, Training & Information
- 6th Rochdale Principle: Cooperation Amongst Cooperatives
- 7th Rochdale Principle: Concern for Community

## Cooperative History

- Firsts:
  - New York – 1876; the Randolph
  - First Known Litigation – 1886; Barrington Apartment Assoc.
  - First outside of New York – 1909 in Chicago
- Cooperative Foundation
  - Stockholders
  - Board of Directors
  - Management Agent
  - Debt & Equity
  - The Cooperative Difference

## Types of Cooperatives

- Limited Equity
- Market Rate
- BMIR – Below Market Interest Rate
- 236 Cooperative
- 202 Cooperatives
- Section 8 Cooperatives

## Legal Cooperative Types

- NOT FOR PROFIT
- NONPROFIT

## Cooperative Documents

- Articles of Incorporation
- Subscription Agreement
- By-Laws
- Regulatory Agreement
- Mortgage Agreement
- Occupancy Agreement
- Use Agreement
- Management Agreement

## Financial Responsibilities

- Roles & Responsibilities -
  - Board
  - Management
  - Membership
- Operating Budget
  - Timing
  - Preparation
  - YTD vs. Projected
- Monthly Financial Report
  - Accounts Receivable
  - Accounts Payable
  - Occupancy Rates/ Vacancy Loss
  - Budget Comparison
  - Disbursement Register
  - Schedule of Reserves
- Cash Accounts & Membership
  - General Operating Reserve
  - Replacement Reserve Account
  - Real Estate Taxes Escrow
  - Insurance Escrow
- Fiscal Year Audit
  - Content
  - Reviewing
  - Bidding
- Reserve Analysis & Long Term Planning -
  - What
  - Why
  - How

## Effective Leadership

- Listening
- Communication Skills
- Team Building
- Parliamentary Procedures
- Ethics