(NOT JUST FOR NEW MEMBERS)

<u>Focus on Development</u>

Membership Orientation

It's Called Cooperative Living.
You Enjoy Living. And Your Home Cooperates.

Skills Development Course

New Member Orientation

Orientation is the important process of introducing newly accepted members to cooperative living. All applicants who are approved for occupancy should have the benefit of an orientation session. This will familiarize them with co-op life so they will feel like they are a part of the community and contribute to its success by being good members.

The orientation should be conducted in a friendly, businesslike way. When the meeting is finished, the applicant should have an understanding of their obligations, the rules and regulations, and that management and the Board will enforce all rules and regulations.

Who Should Perform the Orientation?

Not all cooperatives have an orientation committee. Those that do not may choose a subcommittee from the Membership Committee, or they may choose ad hoc committees such cs Welcome Hostess or Special Activities to perform their actual orientation. For the purposes of this workshop, we will call the group the "Orientation Committee".

How and by whom it is performed, depends mainly on the cooperative and its particular needs. Some co-ops may give new members only a very brief outline about the co-op rules and regulations before that member actually moves into the co-op. Others, with waiting lists or gradual turnover rates will find a complete orientation program is required to be completed by all approved applicants before they move into the co-op.

Both of these programs can be modified by giving a brief orientation during the application interview. And then a more comprehensive orientation program can follow within a month or so of the applicant's approval, either before or after the move-in.

The way the co-op educates its members can vary, but there really is not any reason not to provide a good educational program for each and every member. Putting a good orientation presentation together is definitely hard work and will challenge every cooperative.

Types of Interviews

Brief Interview Program

This is a brief presentation given by the Membership Committee during the actual application interview. This type of program should be no longer than fifteen to twenty minutes in length and should only touch upon the highlights of the co-op lifestyle. It can be used as a valuable tool by the Membership Committee as a way to evaluate an applicant's fitness for cooperative living.

Translated into Cooperative English, it means that if the applicant cannot understand why the co-op has all those rules and fines, they probably will not understand why they have to obey the rules or pay fines for breaking them.
A brief interview program should cover such areas as:

- What is a cooperative?
- Why is a cooperative living usually less expensive?
- Why read the handbook, occupancy agreement, and subscription agreement (if used)?
- What are move-in and move-out policies?
- What are the basic rules and regulations?

Unfortunately, since many applicants are very nervous at the application interview, much of what is explained to them during the interview will be quickly forgotten in the hustle to get moved in. So, keep it short and sweet and do not be surprised if the new next-door neighbor says, "no one ever told me that". The brief interview program only serves to point out the need for a more complete and comprehensive orientation presentation.

The Comprehensive Program

A comprehensive program is exactly what its name implies. It is the process of introducing newly accepted members to cooperative living. The basic goal of the program should be to familiarize newcomers with the co-op so they will feel a part of the community and contribute to its success by being good, active members.

A comprehensive orientation acquaints new members with all the policies and regulations of the co-op and attempts to install the philosophy of cooperation. It also familiarizes new members with various committees and welcomes their participation. The comprehensive program should deal with such items as:

Documents of Governance:

- By-Laws
- Regulatory Agreement
- Occupancy Agreement
- Subscription Agreement

Cooperative Organization:

- Membership Certificates
- Services and Discounts
- Rules and Regulations

Board of Directors:

- Committees and Functions
- Maintenance
- Management

Community Services

- Schools
- Churches
- City Information
- Shopping Centers
- Etc.

As you can see, the number of items to be covered seems beyond control. And, if the orientation program is not presented well, it can be extremely boring. With this in mind, the program must be put together in such a way that it will be entertaining as well as educational. This will not be easy, but it really can be done!

27. Regular Board Meetings
    a. Meetings are held and are open to all members of the co-op.
    b. These meetings require a quorum of the Director at all times.
    c. The date, time, and place of such meetings should be publicized in the Newsletter.
    d. An agenda is provided each Director prior to each meeting.
    e. The Manager is required to be at all regular meetings.
28. Closed Meetings
    a. These meetings are held when it becomes necessary to discuss a particular individual or item that would cause embarrassment if discussed in an open meeting.
29. Special Board Meetings
    a. These meetings may be necessary from time to time to discuss a particular problem or question that cannot wait for a regular meeting.
    b. A special meeting to review, discuss, and approve the annual budget is a good exam ple.
30. Annual Membership Meeting
    a. This meeting is held on the date specified in the co-op by-laws.
    b. The purpose of the meeting is to elect members to the Board of Directors.
    c. No business can be conducted at this meeting unless a quorum of qualified members are present or represented by proxies.
    d. Your major duty to the co-op is to attend this very important meeting.
    e. The members elected will be the governing representation for the insuring year.
31. Monthly Housing Charges
    a. Monthly housing charges constitute a member's fair share of the expenses of the co-op necessary to keep it solvent.
    b. They are due on the first of the month.
    c. Increases may be necessary to keep pace with rising costs.
32. Rules and Regulations
    a. All rules and regulations, other than those mandated by the Regulatory Agency, are established by the Board to insure all members of the cooperative quality housing at the best possible monthly rates.
33. Your Rights.
    a. Remember: Your rights end where the rights of your neighbor begin.

22. The Regulatory Agency
   a. The Board must work with a Regulatory Agency, i.e., HUD, FHA
   b. The Regulatory Agreement requires the co-op to abide by the regulations of Hud or FHA, which insured the mortgage
   c. The Corporation has a signed agreement, on several items designed to protect the co-op. The agency must approve:
      1) The annual budget
      2) The annual audit by an accountant/auditor
      3) Withdrawals from the co-op reserves
      4) The contract between the co-op and its Management Company
23. Management
   a. A Cooperative may have an outside managing agent and an on-site manager
   b. They run the day-to-day business affairs of the Cooperative.
   C. The Board has a signed contract with a Management Company
   d. The Board of Directors should delegate a number of managerial tasks. A few of those tasks are:
      1) Collecting monthly housing charges
      2) Taking action on delinquent payments
      3) Preparing the annual budget for Board approval
      4) Supervision of co-op employees
      5) Supervision of outside contractors/specialists
      6) Making monthly financial reports to the Board
24. Corporation Auditor
   a. An auditor is hired by the Board of Directors for professional advice and to prepare the annual audit for submission to the Regulatory Agency.
25. Corporation Attorney
   a. An attorney is hired by the Board of Directors to handle the legal problems of the co-op and to give legal advice when needed.
26. Corporation employees and servicemen
   A. Are hired by the Board of Directors, even though the Manager investigates, supervises, and fires them.

Orientation - Pro's and Con's

Now that the two methods for presenting an orientation have been outlined, let us look at the strengths and weaknesses of each.

Brief Interview Program

PRO: There can be a definite advantage in giving a brief orientation during the application interview. The applicant is very receptive to discussing the place where he soon hopes to live. He wants to place his best foot forward so his attention is more easily captured. In some cooperatives, this may be the only chance for a new member to get an orientation program.

CON: The applicant is eager to please and listens, but he is nervous; the kids are becoming restless; and he wants so much to make a good impression that he does not dare ask those questions he has for fear of appearing dumb! The brief orientation is, by its nature, short on time and so many vital areas just cannot be covered in any depth at all.

Comprehensive Program

PRO: Makes members feel educated so they will want to get involved in the mainstream of the co-op. Gives them a better understanding about the place where they have been accepted as members. It also gives them a better understanding of the rules and reasons for them. It also makes them aware of areas that the Board and Management have no choice in, such as regulatory rules, reserve funding, etc.

CON: The new member must be sitting for possibly a couple hours and listening to an abundance of information. They may zone out if the orientation program boring and not presented well.

Brief Orientation and Media Program

To give the applicant a brief overview orientation during the interview, the co-op could provide the applicant with a copy of the handbook. Or, if the handbook is so out of date and would not be of much help, make a brief information fact sheet covering the items mentioned earlier in the chapter.

The handbook or fact sheet will give the applicant something to follow as the areas are covered. It will also give them something to refer to later, so that not as much time will have to be spent on each section during the orientation. Also, if the applicant is nervous and begins to forget things which are discussed, he will have something to refer back to which should refresh his memory.

By using the combination of a simple verbal presentation (Brief Orientation) and a handout information fact sheet or Handbook (Media), it will be easier for the new member to understand and remember what you are presenting at the orientation.
Yet, with all these advantages, there are drawbacks to the brief orientation. The major drawback is that there really is not enough time to cover all the important aspects of co-op living. That is the best reason for a follow-up comprehensive orientation program.

16. Committees
    a. Are established by the Board of Directors to assist with carrying out the business of the Cooperative.
    b. The Board appoints the Chairperson and charges the committees with certain duties.
    c. The committee reports their activities and progress to the Board at regular board meetings.
17. The Membership Committee (Show picture of your committee)
    a. Is that arm of the Board that is delegated the responsibility of accepting or rejecting all applications for membership in the co-op and the orientation of accepted families.
    b. This committee frequently establishes the character of the co-op by careful screening of the applicants for membership.
18. The Newsletter Committee
    a. Helps the Board communicate with the members by editing and producing a co-op newsletter.
19. The Activities Committee
    a. May organize social, cultural, educational, and recreational programs.
    b. It may sponsor tot and teen activities, handicraft classes, exercise programs, and soft ball teams.
    c. The list could go on and on.
20. Other Committees the Cooperative Board may need are
    a. The Hostess or Court Committee
    b. The Finance Committee
    c. The Pet Committee
    d. The Vehicle and Parking Lot Committee
    e. The Building and Grounds Committee
    f. Ad Hoc Committees
21. The Midwest Association of Housing Cooperatives (MAHC) (show MAHC logo)
    a. Provides services designed to encourage cooperation among cooperatives.
    b. The co-op is a member of this association, and the association will assist the co-op with educational and training seminars and workshops

10. Corporation Obligations
    a. Evict with cause
    b. Provide management, operation, and administration
    c. Provide utilities as required by the Occupancy Agreement
    d. Provide repairs not caused by negligence
    e. Pay all legal obligations
    f. There are more. Know your Occupancy Agreement
11. Membership Certificate (Show picture of certificate)
    a. The member receives a Membership Certificate showing evidence of membership in a Cooperative
    b. They are not transferable without the approval of the Board
12. The Co-op Members (show picture of totem pole)
    a. The members are at the top of the Co-op totem pole.
    b. They are the owners and the beneficiaries of all cooperative activities.
13. The Board of Directors (You can show a picture of your board)
    a. The cooperative members elect Directors at the Annual Membership meeting.
    b. Usually there are five directors on a board, but some co-ops have more.
    c. The Annual Meeting cannot be conducted without a quorum of the members being present. This quorum is specified in the By-laws.
    d. Sets the policies of the Cooperative.
    e. Are responsible for the administration of the affairs of the Cooperative.
    f. They receive no compensation.
    g. The Directors function only as a Board and in Board meetings. A Director has no status other than as an individual member outside a Board meeting.
14. Who can run for the Board?
    a. Any member in good standing.
    b. Some by-laws permit non-members to be elected to the Board, not to exceed a majori ty. This is an opportunity to get specialists on the Board.
15. The duties and powers of the Board of Director.s
    a. Are stipulated in the Corporation by-laws. They include, but are not limited to the fol lowing:
    b. To elect the officers of the corporation soon after the Annual Meeting.
    c. Establish monthly housing charges based on a budget formally adopted by the Board.
    d. To terminate membership and occupancy with cause.
    e. To establish rules and regulations pertaining to the use and occupancy of the premises consistent with all legal documents.

Comprehensive Orientation with Media Program

It is in the corporation's best interest to require new members to receive their orientation before they move in. There may be circumstances that compel the co-op to want new members to move in as soon as possible after they have been approved. In these cases, it would be best to dip into resource membership.

If there is a finance committee, ask that one of their members present a section on the budget. By using graphs and charts, the presentation is more complete, as well as more interesting. If there is a co-op newsletter, see if the editor will send someone to explain the purpose of the newsletter and perhaps get from the new members some comments of interest for an article in the forthcoming issue.

Have a member of the pet committee, the activities committee, and other committees of the co-op explain their roles and what the rules are for their particular operation. The use of newsprints, and best of all slides can really perk up the participation and attention value of the presentation. By getting as many co-ops committee members to participate, along with the Orientation Committee core group, the session will be a demonstration of how co-op living really works.

Whoever ends up with the job of orientation, it will be made 100% easier if materials are included to give visual examples of what is discussed. The material, which seems to get the highest rating for keeping their attention, is the slide presentation. The use of slides gives a great deal of variety, and its uses are unlimited. Show graphs and diagrams on slides, as well as the do's and don'ts to demonstrate the co-op rules.

This type of presentation is easy to change if the rules change, as all that needs to be done is to change a slide or drop it out. If all materials are in written handout form, it will be difficult to change and update it. A good slide presentation is not easy to put together, but once you have it, one person can actually give a 1-2-hour orientation program by themselves. (See Slide Presentation Talk)

Impressing New Members with the Importance of Orientation

Some of the little things that can be done to impress new members with the importance of their orientation into the co-op are:

1. Present new members with their Membership Certificates as a certificate of orientation completions and of actual membership into the cooperative.

2. Present new members with their co-op handbooks, or in a progressive co-op, present the new member with a copy of the Midwest Association of Housing Cooperatives handbook, 'Cooperative Housing: A Handbook for Effective Operation'.

3. Give the new members an Interest and Skills Sheets to fill out and return before leaving the orientation. This form will outline what committees they are interested in and what skills they might be able to contribute to the co-op.

One idea to make the orientation more informal and enjoyable is to give a potluck dinner. This provides a relaxed atmosphere and helps everyone feel more like friends.

Another idea is to extend the orientation to long-standing members, since so many of them are apathetic. It is suggested that each member should take the orientation course every few years. The hope is for the previously apathetic members to become more active and then the co-op will prosper.

The moral of the story is that if real, live, active co-op members get interested and informed, with well thought out orientation educational programs. The co-op prospers. Orientation is not a cure all for apathy, but it sure can help.

Good luck in planning and developing an orientation program. Remember that we have discussed only a few basics in this workshop. There are certainly many more ways to achieve orientation of members. Experiment...be daring ... and do not be afraid to try something new and different.

6. What About Maintenance? (Show picture of someone fixing an appliance)
    a. Unit interior maintenance is the duty of the occupying member, either by notifying Maintenance or doing it themselves.
    b. Grounds and exterior building maintenance are the responsibility of the Corporation.
    c. The following are things the member can do to reduce maintenance personnel time and thus keep costs lower.
        1) Keep debris picked up. Have the children pick up paper and other litter scattered about the unit and yard.
        2) Report or replace gaskets in dripping faucets. Every townhouse has from 1115 water faucets or valves. If a 100-unit co-op had one faucet per unit leaking one gal lon per day, in a period of a month, it would amount to 3,000 gallons lost that would show up in the water bill.
        3) Vacuum refrigerator coils regularly. Dirty refrigerator coils do not give proper or satisfactory refrigeration and shorten the life of the refrigerator considerably.
7. The Occupancy Agreement (Show picture of agreement)
    a. Is a contract between the co-op and the member giving the member exclusive rights to occupy a unit as long as the member abides by terms of the agreement.
    b. It spells out the rights and obligations of the member and the co-op.
    c. It is a comprehensive document stating what a co-op member can legally expect from the co-op as well as what the co-op can legally expect from the member.
    d. A member should know the terms of the occupancy agreement well.
8. By-Laws
    a. Are written rules and regulations governing the operation of the co-op.
    b. They deal with membership, meetings of members, the board of directors, officers of the corporation, rights of the regulatory agency, how by-laws shall be amended, and fiscal management of the co-op.
9. Member Obligations
    a. Pay monthly housing charges on time.
    b. Make a recertification of income when required
    c. Make repairs to unit caused by negligence
    d. Use premises for residential purposes only
    e. Make no unit improvements without written permission
    f. Comply with all corporate regulations and rules
    g. Maintain a safe and sanitary unit
    h. There are more. Know your Occupancy Agreement.

The Slide Orientation Presentation

1. Your Cooperative. (Show overhead or slides of different areas of your co-op)
    a. How many units
    b. When it was built
    c. How many different types of units?
2. What is The Housing Cooperative?
    a. It is a group of families joining together on a democratic principle to form a non-profit cooperative corporation that own the buildings in which the families live.
    b. Each member owns a share of the development.
3. Why a Cooperative? (Show picture of$ sign)
    a. To provide the families with the best possible housing at the lowest cost possible.
    b. The housing charges paid monthly by each member family are the means by which the cooperative remains solvent.
4. What are the advantages?
    a. No landlord. With no landlord there is no landlord profit, resulting in lower housing charges.
    b. Tax deduction. Families can deduct their fair share of the taxes and mortgage interest payments, paid by the Corporation, from their Federal Income Tax.
    c. Limited liability. There is no individual family mortgage, so the individual family has no liability. The Corporation is responsible for paying the mortgage and interest.
    d. Cooperative action. Members can jointly exert pressure to secure improved services from local governments.
    e. No responsibility for normal interior or exterior maintenance, grass cutting, or snow removal.
    f. A cooperative carrying charges are usually less than similar rental units.
5. Who is in Charge? (Show picture of a group of people)
    a. The members are the sole owners of the Cooperative. The member owns a share of stock that entitles them to on.e vote per unit.
        1) This share is considered personal property, not "real property", i.e., you do not own real estate.
    b. A cooperative is a community within a community and the members have joint control over their housing circumstances.
    c. The members elect a Board of Directors to act as their representative in setting polices for the benefit of the Cooperative as a whole.

The following two sections are samples of outlines that can be used to present your orientation.

The "Orientation Outline"
And
The "Slide Presentation

Orientation Outline

1. The Co-O p Structure
    - A Board of Directors
    - B Committees
        1. Membership
        2. Property Improvement
        3. Activities
        4. Pets
        5. House and Grounds
        6. Hostesses
        7. Newsletter
        8. Finance
    - C. Management Company
2. Documents of a Cooperative
    - A. Regulatory Agreement
    - B. Membership Agreement
    - C. By-Laws
    - D. Rules and Regulations
    - E. Occupancy Agreement
    - F. Newsletter
    - G. Handbook
3. Finances
    - A. Initial Charges
    - B. Carrying Charges
        1. How used
        2. Payment dates and late fees
    - C. Financial Condition of the Cooperative
        1. Tax credit for each member on Federal Income Tax
4. Your Unit
    - A. Cost of utilities
    - B. Painting and decorating
    - C. Maintenance responsibilities
    - D. Work orders
5. Your Community
    - A. Schools
    - B. Parks
    - C. Malls and shopping
    - D. Churches
    - E. Local Government
6. Procedures and Regulations
    - A. Rules
        1. Pet
        2. House & Garden
        3. Parking
    - B. Trash Disposal
    - C. Complaint Procedures
7. Obligations
    - A. Willingness to help when possible
    - B. Attend annual membership meetings
    - C. Keep aware of what is happening in the cooperative
    - D. Read newsletter and all bulletins