



Region of Waterloo

Programs Administration


January 2013

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New: November 27, 2012

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 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 3	Policy 3.1
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	Reporting Requirements – Unit Activity	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To ensure that Boards of Directors of Community Housing Providers have complete and accurate information on vacancy loss and unit turnover, on a regular basis, to inform decision making.

To assist the Community Housing Provider and the Service Manager in preparing budgets, forecasting, analysis and addressing concerns regarding administration and compliance.

Procedural Requirements:


- On a monthly basis (or however frequently the board or board executive meets if less than monthly) the board should receive a report from property management that provides, at a minimum, the following information regarding each vacancy:
 - Notice to Vacate Date
 - Activity type (proper notice to vacate, improper, eviction or overhoused)
 - Date unit is vacated and re-occupied
 - Number of days vacant
 - Vacancy loss at full market value for the unit
 - Any arrears or other related charges
- In addition to the above information, the Region as Service Manager (through appointed Housing Co-ordinator), will request additional information on a quarterly basis including, unit number, primary resident name, unit size and unit type, Rent Geared-to-Income (RGI) or Market Status at move out/move in and name of new resident. At the Board’s discretion, this information can also form part of the report to the Board
- The required quarterly electronic reporting (as of March 31th, June 30th, Sept. 30th and Dec. 31st) will be as per the Unit Activity Reporting Form and is to be submitted to the Service Manager no later than 5 business days after the end of each quarter.
- Providers are encouraged to utilize the Unit Activity Reporting Form in the regular reporting to the board (‘hiding’ columns where appropriate) to minimize administrative requirements and ensure confidentiality.
- This form (for the reporting fiscal year and intended to be cumulative for the fiscal year) will also be required to be submitted with the Annual Information Return and

Audited Financial Statements and may also be requested at any time throughout the year to assist the Service Manger in completing a review, understanding issues facing the provider or to collect information to inform decision making.

Documentation Requirements:

Monthly Unit Activity Reporting Form; Annual Information Return (AIR)

See Also: HSA Sec 81; PA 3.2 Reporting Requirements — Arrears; PA 3.3 Reporting Requirements – Note Disclosures for Reporting Vacancy Loss; PA 3.4 Reporting Requirements 5 Year Capital Plan

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 3	Policy 3.2
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	Reporting Requirements – Arrears	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To ensure that Boards of Directors of Community Housing Providers have complete and accurate information on current and former resident arrears, on a regular basis, to inform decision making.

To assist the Community Housing Provider and the Service Manager in preparing budgets, forecasting, analysis and addressing concerns regarding administration and compliance.


Procedural Requirements:

- On a monthly basis (or however frequently the board or board executive meets if less than monthly) the board (or delegated executive committee of the Board) should receive a report from property management that provides, at a minimum, the following information regarding arrears:
 - Current arrears (in dollars and months)
 - If a payment plan is in place
 - Former Tenant/Member arrears
 - Other outstanding charges owing
 - Current rent/housing charge of household in arrears
- The Service Manager (through Housing Co-ordinators) requires quarterly reporting (as of March 31th, June 30th, Sept. 30th and Dec. 31st) of the above noted information. Reports are to be submitted to the Service Manager no later than 5 business days after the end of each quarter.

Documentation Requirements:

Annual Information Return (AIR)

See Also: HSA Sec 81; PA 3.1 Reporting Requirements – Unit Activity; PA 3.3 Reporting Requirements – Note Disclosures for Reporting Vacancy Loss; PA 3.4 Reporting Requirements – 5 Year Capital Plan

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 3	Policy 3.3
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	Reporting Requirements – Note Disclosures for Reporting Vacancy Loss	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To assist housing providers in accounting for vacant Market and Rent Geared-to-Income (RGI) units. This information is to be reported as a note disclosure to the audited financial statements.

BACKGROUND

The filling of vacant units is the responsibility of the housing provider's staff/property management company. The staff/property management reports monthly to the Board of Directors on the status of vacant units. In addition, the staff/property management company informs the corporation on the number of RGI and market units available for occupancy. It is important that a process to account for vacancy loss in all units be implemented, since funding of RGI units is provided by the Region. The non-profits/cooperatives are responsible for market vacancy loss through the funding model.

Below is a chart demonstrating the note disclosure format prepared by your auditor for the audited financial statements along with an example of the required journal entries to record the monthly vacancy loss.

Reporting Vacancy Losses

Vacancy Losses as Note Disclosure on Audited Financial Statements:

Note XX	Occupancy/rental charges			2011			2010		
	RGI Units	Market Units	Total	RGI Units	Market Units	Total	RGI Units	Market Units	Total
Gross rental charges	90,310	A 468,987	D 559,297	110,982	448,597	559,579			
RGI subsidy	(70,716)	B 0	(70,716)	(68,555)	0	(68,555)			
Vacancy loss	(2,522)	C (2,000)	E (4,522)	(2,522)	0	(2,522)			



Net rental charges	17,072	466,987	484,059	39,905	448,597	488,502
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- A -** Gross Rent Geared-to-Income charges to be reported on **line 301** of AIR
- B -** Rent Geared-to-income subsidy used to be reported on **line 302** of AIR
- C -** RGI vacancy loss to be reported on line **line 303** of AIR
- D -** Market Gross Rental Charges are to be reported on **line 306** of Annual Information Return "AIR"
- E -** Market vacancy loss to be reported on **line 307** of the AIR

Example of recording vacancy losses:

Number of units:	2 market units, (1 occupied and 1 vacant)
	2 RGI units, (1 occupied and 1 vacant)
Monthly market rental charge	\$600
Monthly GI rental charge	\$400

Record Market Occupancy Charge and Vacancy Loss

(1) Journal Entry - Unit Occupied

(2) Journal Entry - Vacant unit

Accounts Receivable	600
Gross Market rental Charge	(600)

Vacancy loss – market	600
Gross Market rental charge	(600)

Record GI Rental Charge and Vacancy Loss

(3) Journal Entry - Unit Occupied

(4) Journal Entry - Vacant unit


Accounts Receivable	400
Gross Market rental charge	(600)
Subsidy Allocated/Used	200

Vacancy loss – GI	600
Gross Market rental charge	(600)
Subsidy Allocated/Used	0

	Accounts Rec.		Gross Market Charges	Subsidy Allocated/Used	RGI Vacancy Loss	Market Vacancy Loss
1	600		600			
2			600			600
3	400		600	200		
4			600	0	600	
			CR	DR	DR	DR
	\$1000	Total	\$2400	\$200	\$600	\$600

Documentation Requirements:
Annual Information Return (AIR)

See Also: HSA Sec 81; PA 3.1 Reporting Requirements – Unit Activity; PA 3.2 Reporting Requirements – Arrears; PA 3.4 Reporting Requirements – 5 Year Capital Plan

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section	Policy
	3	3.4
	Approval Date: Nov. 27/12	Revision Date: NEW
Title:	Reporting Requirements – 5 Year Capital Plan	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To ensure that Boards of Directors of Community Housing Providers review and plan annually for capital work. To assist the Community Housing Provider and the Service Manager in forecasting, analysis and addressing capital repair needs.

Procedural Requirements:

Housing providers are required to submit a 5 year capital plan along with their Annual Subsidy Entitlement (ASE), if program requires.

The process is as follows:

1. The Region of Waterloo’s Finance Department will send a 5 Year Capital Plan template to the housing providers at least 150 days or five months prior to the beginning of the provider’s next fiscal year.
2. The Board and provider staff will review the most recent Building Condition Audit, capital work completed or planned for the current fiscal year and previous 5 Year Capital Plan. Housing staff are available to assist with the process.
3. The housing provider will complete the template and return it to the Region of Waterloo’s Finance Department in an electronic format at least 90 days or three months prior to the commencement of the provider’s next fiscal year along with the Annual Subsidy Entitlement form (if program requires).
4. The Region of Waterloo’s Housing Division and Finance Department will review the Plan and provide written feedback to the housing provider within 30 business days.
5. The Plan should be used as a planning tool during the fiscal year to complete priority capital work.


Documentation Requirements:

5 Year Capital Plan Template

Building Condition Audit

Annual Information Return

See Also: HSA Sec 81; O. Reg. 367/11 Sec 100; PA 3.1 Reporting Requirements – Unit Activity; PA 3.2 Reporting Requirements – Arrears; PA 3.3 Reporting Requirements – Note Disclosures for Reporting Vacancy Loss

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 3	Policy 3.5
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	Reporting Requirements – Board Plans	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To ensure that Boards of Directors of Community Housing Providers have incorporated into their annual planning cycle an opportunity to review the training needs for volunteers (including Board), staff and members of housing co-operatives and succession planning for the Board of Directors.

Procedural Requirements:

The Housing Services Act (HSA) and Regulations require housing providers to prepare and implement training plans for staff, volunteers and members (in the case of Co-operatives) and a succession plans for the Board of Directors. To address this requirement, the Board of Directors shall;


1. Annually, during preparation of the operating and capital budgets, review, evaluate and amend previous plans as necessary.
2. Training Plans should:
 - a. identify areas of concern/weakness through
 - i. the Annual Information Return
 - ii. issues managed through Board meetings
 - iii. input from staff
 - iv. input from residents
 - v. input from Housing Co-ordinator
 - b. Consider the indicators in the Housing Providers Performance Standards Matrix and Risk Assessment tool
 - c. Prioritize the areas of concern/weakness
 - d. Review current skills and knowledge of Board and staff to address the concerns/weakness
 - e. Prioritize training plans to focus on areas of concern where an increase in skills and knowledge is necessary/desired
 - f. Include a frequency and format that suits the needs of the provider and addresses a number of the high priority areas of concerns/weakness

- g. Include resources and materials available from the housing sector and Service Manager to support the preparation and implementation of the plans
 - h. Include an evaluation of training provided and recommendations for amendments
 - i. Consider making recommendations to other providers or Service Managers for successful training
 - j. Consider collaborating with other providers who may have similar training needs.
 - k. Include timeframes for implementation/delivery of training
 - l. A similar process should be followed in case of training requirements for co-operative housing members
3. Succession Plans should:
- a. Provide for a regular review of policies and by-laws that govern election/appointment and terms of directors and officers of the corporation, to ensure the needs of the corporation are being met
 - b. Consider training needs identified in training plan process
 - c. Identify desired skills and knowledge to ensure a well rounded Board of Directors
 - d. Compare skills and knowledge set of current directors, to areas identified as desired (in c. above).
 - e. Implement a recruitment strategy that is broad and varied enough to attract board members with the desired skills that are not being currently met
 - f. In the case of a housing co-operative, identify and actively address areas within the Board responsibilities and required skill set which may require additional training and/or support
4. Approve both the training and succession plans and provide copies to the Region of Waterloo for comment, along with the annual submission of the Annual Information Return, Audited financial statements and 5 year capital plan.

Documentation Requirements:

Board Plan

See Also: HSA Sec 69 (5); O.Reg. 367/11 Sec 87

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 3	Policy 6
	Approval Date: Nov. 27/12	Revision Date: Jan. 23/23
Title:	Capital Reserve Fund Expenses vs. Operating Expenses	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To assist housing providers and ensure capital reserves are used solely for capital expenditures and not annual operating expenses.

Policy:

1. All provincially prescribed providers must participate in a system for pooling capital reserves for investment purposes (HSA Sec. 124) and shall follow such investment policies as may be established by the Housing Services Corporation (HSC).
2. As an overarching principle, all housing providers should adhere to the following objectives when investing their capital reserves:
 - a. Provide the funds necessary to carry out capital projects;
 - b. Ensure that risk is minimized relative to the term and the type of investments;
 - c. Match the term of investments with the timing of the planned use of funds where possible;
 - d. Offset or reduce the effect of inflation on reserves and operations.

Procedural Requirements:

1. Capital Reserve Fund Investing

- The cash and investments in the CRF must be maintained and accounted for separately from the housing provider's other cash and investments;
- The cash and investments in the CRF account must be equal to or greater than the CRF balance at all times.

2. Capital Reserve Fund Planning

The Region of Waterloo encourages providers to develop a capital budget annually; taking a longer-range view of capital planning that anticipates multi-year projects and recognizes the need to balance capital spending in an affordable and sustainable manner. The Capital Plan should actively engage a minimum of the five-year long-term plan for capital expenditures. In addition, providers are encouraged to maintain a proactive maintenance program that complements the Capital Plan within their Operating budgets.

- As an essential tool for long-term planning, the Region, at the point of transfer of community housing, commissioned an initial Building Condition Audit (BCA) and Capital Reserve Fund analysis for most prescribed providers within the Region and has commissioned similar reports every 4-5 years since.
- Providers are to review and update their 5 Year Capital Plan annually along with their annual budget estimates. The provider should endeavor to carry out the plan according to a board-approved capital budget and as required in the Programs Administration Policy 3.4 Reporting Requirements - 5 year Capital Plan.
- The capital reserve fund established permits the accumulation of funds to cover replacing worn-out capital items in the project. An annual contribution is required from the project operating funds to the capital reserve account(s). It is adjusted annually based on the indices set by the Ministry of Municipal Affairs and Housing.
- There are many variations of capital items, most of which have life spans extending beyond one year. They consist of major building and property components, services and systems, project facilities and equipment. Capital items generally have an expected useful lifespan that will vary according to quality and project conditions. Major repairs or renovations, the benefits of which extend beyond the current fiscal period, may also be considered a capital item.

3. Capital Reserve Fund Expenditures

Housing providers must use capital reserve funds solely to address expenses for capital projects, for the major repair, upgrading or replacement of original/existing building and site components. Capital expenditures are defined in Appendix A; however, the list below outlines the framework regarding the types of capital reserve expenditures:

- acquisition of new capital assets;
- additions to new capital assets;
- replacement of existing capital assets;
- capital improvements (expenditures that increase the energy efficiency, accessibility, capacity, quality, efficiency or useful life of existing capital assets); and
- replacement of major building components

Housing providers Boards must make prudent decisions as to when to make capital improvements (using capital reserve funds), consistent with the normal practices of similar housing providers. By their very nature, capital improvements involve costs that are both significant and material. It may be appropriate to replace a capital asset or make an improvement in a new capital asset when:

- a health & safety issue exists;
- a capital asset has come to the end of its useful life (i.e. to ensure that equipment is functioning well);
- a capital investment is required to keep the building structurally sound;
- a capital investment will result in a reduction in operating expenses to the extent that the capital costs will be recouped within a reasonable period (i.e. when greater energy efficiency can be achieved); or
- a need for compliance with building, fire or municipal codes or other similar authority and legislation exists.

Capital items/assets should be replaced with ones of equivalent quality, standards of performance and expected useful life unless it can be demonstrated that:

- a higher quality replacement is cost-effective because of lower maintenance or operating costs or a longer expected useful life; in this case, a cost-benefit analysis that demonstrates the cost-effectiveness of a higher quality replacement must be carried out, and;
- the capital item/asset being replaced is generally considered inappropriate for the project due to proven climatic, geographic or other influences or effects.

To assist with capital investment planning, implementation, and reporting, the list provided, attached Appendix A, has been developed to provide some guidance when determining which expenditures should be allocated to the Capital Reserve Fund and which are operating costs. This list is not intended as a definitive or comprehensive listing but as an illustration of the treatment of various types of expenditures.

4. Capital vs. Operating Expenses

The replacement or upgrade of major building components is a capital expenditure. Examples of such items are:

- a complete bathroom/kitchen upgrade such as the replacement of all the fixtures and installation of new tile;*



- any appliance – e.g. fridge, stove, a/c unit;
- elevator upgrade;
- Building Condition Audit and Capital Reserve Fund analysis review/updates;
- flooring and carpet replacement;
- construction of walkways and fencing;
- site upgrades such as re-grading or construction of retaining walls;
- furnace replacement;
- roof replacement due to long term deterioration;
- upgrading, laying stone and reconstruction work;
- paving of driveways and parking lot areas;
- purchases of other large equipment over \$1,500;
- window replacement; and
- unit restoration in excess cumulatively \$8,000 (which may include various trades and contractors).*

*for further clarity, detailed itemized invoices (as prescribed by the Board in advance to contractors that details the work performed and includes enough details relating to quantity, unit number(s), dates, items, costs etc. for staff and Board to authorize payment) are not be grouped together or split apart to affect the type of expense the costs are assigned too.

Regular maintenance items, which are required at fairly short-term intervals, due to normal wear and tear, are operating expenses. Examples include:

- caulking;
- elevator repairs;
- painting;
- rectifying deficiencies from annual inspections;
- rectifying deficiencies from move-outs;
- replacement of drapes and blinds;
- repairing fences, pruning trees and other general grounds maintenance;
- replacement of faucets;
- repairs to asphalt to restore it to an efficient operating condition;
- minor expenditures including tenant/member chargebacks of under \$1,500 (exceptions as noted below in Areas of Discretion in #6);
- normal cyclical repairs and maintenance;
- replacement of equipment parts; and
- purchase of minor equipment and supplies (e.g. Tools and water softener salt).

In situations where it is not clear whether an expense qualifies as a capital expense, or, if an item is not listed in Appendix A, contact your Service Manager Housing Advisor to explore and make a determination.

Housing providers may not charge expenditures for new construction or additions of new building components to the capital reserve fund for aforementioned capital asset improvements prior to written approval from the Service Manager Region of Waterloo.

5. Areas of Discretion

Some expenses that are normally considered operating expenses may be treated as a capital expenses by providers if the repairs are substantial and the expense is of a material nature. Repairs that maintain the functionality of the building element but do not extend the life of the building element are not considered capital work. Partial replacements can be capital work if they are substantial enough that they would be left in place when the rest of the building element is replaced sometime in the future.

In order to qualify as a capital expenditure, the following conditions must be met:

- Have a useful life of 10 years or greater.
- Acquired with the intention of being used on a continuing basis.
- The betterment of a tangible asset. Betterment occurs when the useful life of a tangible asset is extended. (If expenditure has both the attributes of a repair and betterment, the portion considered to be betterment can be considered a capital expenditure)
- Add significant economic value to the property.
- Enhance/extend the physical integrity of a structure.
- If broken, the item is repairable with the cost of the repair not exceeding the cost of the purchase of a new similar item.
- Is not consumable
- Must be for the replacement/betterment of a pre-existing capital item.

Some example of areas of discretion include:

- annual program of replacement (e.g. toilets, kitchen taps)
- the painting of all common areas of a building during a single fiscal year;
- exterior caulking of a significant dollar amount;
- pumps and motors exceeding \$1500;
- playgrounds; and



- program of replacement within an entire building/community that is substantial and material.

It is recommended that housing providers consult with the Service Manager, Region of Waterloo, regarding any areas of discretion requiring clarification before assigning such items as a capital or operating expense.

The Service Manager may reassign allocations to capital and operating during the annual settlement/reconciliation process when reviewing Audited Financial Statements. The re-allocation will be based on this policy and documentation available during the review. The Service Manager will review these re-allocations with the provider through the settlement/reconciliation process before finalizing. The review may include requests for supporting documents/records, including detailed invoices.


Audited financial statements and the Annual Information Return (AIR) are due 5 months after the provider's fiscal year end. The settlement reconciliation process will be complete within 4 months of submission of the Audited Financial Statement provided that no additional documents/records/clarification are required to complete the review.

Documentation Requirements:

Building Condition Audit

5-Year Capital Plan

See Also: HSA Sec 98; HSA Sec 124; PA 3.4 Reporting Requirements – 5 Year Capital Plan

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 3	Policy 3.7
	Approval Date: March 22, 2023	Revision Date: <i>NEW</i>
Title:	Reporting Requirements – Surplus Sharing	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To assist housing providers and provide direction on financial recording and reporting requirements relating to the treatment of annual operating surpluses.

Procedural Requirements:


1. The Region will provide the Annual Information Return template (AIR) in advance of the organization's Year End date.
2. The Board is responsible for informing the Auditor of any reporting changes.
3. The Board will provide their Auditor a copy of the Board-approved annual 5-Year Capital Plan (BA-5YCP) as part of the audit package documents. The BA-5YCP will identify the costs to complete the capital work identified in the next five years.
4. Through the audit process, the Auditor will confirm the operating surplus and in alignment with any Region policies and procedures at the time of audit. The Auditor will prepare the audited financial statements and complete the Annual Information Return annually.
5. The calculation to determine if a provider is required to surplus share with the Region of Waterloo is determined as follows:
 - a) If the opening balance reflects an accumulated deficit, then any operating surpluses will be used to eliminate the deficit until an accumulated surplus of \$500 per unit is achieved. (AIR Tab 4.1 Part I – Line 4120)
 - b) Once item "a" is achieved then, the total "Board Approved 5 Year Capital Plan" (BA-5YCP updated annually) will be used to determine if the current ending balance of the capital reserve is sufficient before surplus sharing occurs with the Region.
 - c) If the Capital Reserve Fund (CRF) balance is less than the total BA-5YCP, then any remaining operating surplus will be transferred to the CRF until it equals the BA-5YCP. (AIR Tab 4.1 Part II – Line 4140)
 - d) If there is any annual operating surplus after "a, b, and c" above, then the remaining surplus will be share between the housing provider and the Region. (AIR Tab 4.1 Part III – Line 4165).
 - e) Where there are any anomalies (i.e. multiple sites, significant changes in BA-5YCP), the Board, Auditor and Region will work together to meet the spirit of the policies, which is to allow housing providers to maintain their operating surpluses to complete planned capital repairs that contribute to the long-term stability of the provider and the community housing sector.

Documentation Requirements:

Annual Information Return (AIR)
Board Approved 5 Year Capital Plan
Audited Financial Statements

See Also: Program Administration Guide – 3.3 Reporting Requirements – Note Disclosures for Reporting Vacancy Loss, 3.4 Reporting Requirements – 5 Year Capital Plan, Program Administration Guide – 3.6 Capital vs. Operating

- 4.1 Conflict of Interest
- 4.2 Minimum Number of Board Meetings
- 4.3 Remuneration of Board Members/Directors
- 4.4 Property Management Procurement and Contracts
- 4.5 Leases and Occupancy Agreements

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 4	Policy 4.1
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	CONFLICT OF INTEREST POLICY	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To identify Conflict of Interest situations for Housing Provider directors, officers, agents or employees and determine the appropriate action to be taken when a conflict of interest is identified.

Policy: A director, officer, agent or employee of the housing provider shall not enter into any situation, arrangement or agreement which results in a conflict of interest.

Determining Conflict of Interest:

A conflict of interest exists if any of the following situations occur:

- The personal or business interests of a director, officer, agent or employee of a housing provider are in conflict with the interests of the housing provider.
- A personal gain, benefit, advantage or privilege is directly or indirectly given to or received by a director, officer, agent or employee of a housing provider or a person related to one of them as a result of a decision by the housing provider.

Operational Considerations:

- Directors, officers, agents and employees of the housing provider must notify the chair of the board of directors of the housing provider of every potential or actual conflict of interest *no later than the first meeting* of the board after the director, officer, agent or employee becomes aware that he or she has entered into a situation, arrangement or agreement that results in or may result in a conflict of interest.
- The board of directors shall consider the notice *no later than the second meeting* of the board after the notice is given and consideration of the notice must be reflected in the minutes of the meeting.

- The chair of the board shall notify the service manager in writing of the receipt of every notice and the board of directors shall resolve every conflict of interest or potential conflict of interest to the satisfaction of the service manager.

Exceptions

- A director, officer, agent or employee or a person related to one of them may directly or indirectly receive a gain, benefit, advantage, privilege or remuneration from the housing provider if all of the following conditions are satisfied:
 - A notice of the conflict of interest or potential conflict of interest is given, and;
 - The service manager agrees that there is no reasonable alternative for the housing provider other than entering into the situation, arrangement or agreement that results in or may result in the conflict of interest.

Definitions

- For the purposes of this section, a person related to a director, officer, agent or employee includes a parent, spouse, child, household member, sibling, uncle, aunt, nephew, niece, mother-in-law, father-in-law, sister-in-law, brother-in-law or grandparent, or a person with whom the director, officer, agent or employee has a business relationship.
- “child”, in relation to an individual, means a child of the individual born within or outside marriage (unless that child has been adopted by one or more other individuals in Ontario or according to the law of another jurisdiction), a child adopted by the individual in Ontario or according to the law of another jurisdiction, and a child whom the individual has demonstrated a settled intention to treat as a child of his or her family, but does not include a child placed in the individual’s home as a foster child for consideration by another person having lawful custody; (“enfant”)
- “parent”, in relation to an individual, means a natural parent of the individual (unless the individual has been adopted by one or more other persons in Ontario or according to the law of another jurisdiction), an adoptive parent of the individual who has adopted the individual in Ontario or according to the law of another jurisdiction, and a person who has demonstrated a settled intention to treat the individual as a child of his or her family, but does not include a person in whose

home the individual has been placed as a foster child for consideration by another person having lawful custody; (“père ou mere”)


- “spouse”, in relation to a person, means,
- (a) an individual who, together with the person, has advised the housing provider that the individual and the person are spouses, or
- (b) an individual who is residing in the same dwelling place as the person, if the social and familial aspects of the relationship between the individual and the person amount to cohabitation and,
 - (i) the individual is providing financial support to the person,
 - (ii) the person is providing financial support to the individual, or
 - (iii) the individual and the person have a mutual agreement or arrangement regarding their financial affairs. (“conjoint”)

Documentation Requirements:

- Templates available from the Region

See Also: HSA Sec 75(2); O.Reg. 367/11 Sec 100



 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 4	Policy 4.2
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	MINIMUM NUMBER OF BOARD MEETINGS	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To establish a minimum annual requirement for Board meetings.

Policy:

Housing Providers must develop a policy/procedure/by-law that requires the Board to meet a *minimum* of six times per year, or more frequently, in order to fulfill its obligations and to carry on business in the normal course. Multi-service agencies minimum to be set at four meetings.

Operational Considerations:


Board meeting policies/procedure/by-law should consider the annual review of:

- Related policies, procedures and/or by-laws
- Whether the Board is meeting frequently enough to fulfill it's obligations
- Time, day and place for holding Board meetings
- Quorum for Board meetings

Documentation Requirements:

- Templates available from the Region

See Also: HSA Sec 75(2); O.Reg. 367/11 Sec 100

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 4	Policy 4.3
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	REMUNERATION OF BOARD MEMBERS/DIRECTORS	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To establish criteria for the remuneration of directors.

Policy:

Housing Providers shall not remunerate its directors unless it is to reimburse the director for *pre-approved out of pocket* expenses incurred in the performance of the director's duties as a director of the housing provider. By way of example, *pre-approved out of pocket* expenses include gas, meals if out of town on business, and parking.


Operational Considerations:

Housing Providers should have a policy (typically the Spending Policy or By-law) which sets out the terms and conditions for Director reimbursement, approval process, reimbursement process, limits and address remedies for breeches of the policies.

Documentation Requirements:

- Templates available from the Region

See Also: HSA Sec 75(2); O.Reg. 367/11 Sec 100

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 4	Policy 4.4
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	PROPERTY MANAGEMENT PROCUREMENT AND CONTRACTS	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To establish requirements for property management contracts and procurement processes, for both the Property Management Company Model and the Direct Service Model.

Policy:

Property Management Model

Contracts

Housing Providers must develop contracts for property management services that must:

- Not exceed a term of three years.
- Not be renewable
- Be capable of termination by the housing provider on 60 days written notice any time during the term of the contract and on 30 days written notice of the termination is for breach of the contract, unless the parties to the contract agree to shorter notice periods.
- Specifically identify and describe the nature of the goods and services provided under the contract and the consideration to be paid by the housing provider.
- Be non-assignable.
- Include a clause requiring the property management service to give notice to the housing provider of any change in control of their company.

Procurements

To ensure an open and competitive process to hire a Property Management Company, housing providers must:

- Approve committee responsible for conducting the procurement process with specific direction from the board regarding process and final approval
- Utilize a complete Request for Proposals (RFP) document and post and distribute broadly, including sector websites and to known property management firms. (Region template available)
- Utilize a pre-approved evaluation tool that assesses the needs of the provider (for example, confirm required accounting software, hours of services required on site, use of preferred vendors, emergency services)

Direct Employee Service Model

Housing Providers must develop employment contracts for direct services that must:

- Approved by legal council for the provider and/or meet HR legislation
- Address at a minimum:
 - Duties
 - Supervision responsibilities
 - Hours of works
 - Salary and increases process
 - Vacation, holidays, sick days
 - Reimbursement of expenses
 - Reporting structure
 - Confidentiality
 - Performance review
 - Grievance procedure
 - Termination of employment terms
 - Amendments to contract

Procurements

Housing Providers must establish and follow open and competitive practices in hiring its employees.

The Board must first confirm:

- An approved job description or an approved contract
- Identify primary skills and experience necessary to perform the role
- A range of rate of pay and benefits in line with local industry standards
- Determine the financial and other technologies required to manage the property (Simply Accounting, Quick Books, Newviews, HM Works)

Following this, the Board must:

- Approve a committee responsible for hiring
- Approve the process to select the most appropriate candidate able to fulfill all the requirements of the job description
 - i. Interview panel
 - ii. Form and number of interviews
 - iii. Pre-determined questions addressing the skills and abilities required to provide services and address identified area
 - iv. Evaluation criteria
 - v. Selection approval process


Exceptions:

Housing providers are not required to follow open and competitive practices in retaining persons to provide property management services if the service manager is satisfied that open and competitive practices are not appropriate in the circumstances in order for the housing provider to obtain a reasonable level of property management services at a reasonable cost.

Documentation Requirements:

- Templates available from the Region

See Also: HSA Sec 75(2); O.Reg. 367/11 Sec 100

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section 4	Policy 4.5
	Approval Date: Nov. 27/12	Revision Date: <i>NEW</i>
Title:	LEASES AND OCCUPANCY AGREEMENTS	
Activity Area:	PROGRAM ADMINISTRATION	

Policy Intent: To define the terms and content of Housing Provider Leases and Occupancy Agreements.

Policy:

Every housing provider and every household that rents or occupies a rent-geared-to-income unit in the housing provider’s housing site shall enter into a lease or, in the case of a co-operative housing unit, an occupancy agreement that meets the following requirements:

- In the case of a lease, the term of the lease must not exceed one year.
- The lease or agreement must specify the amount of rent that would be payable if the unit were a market unit, the amount of geared-to-income rent payable for one month by the household as determined by the service manager (or their delegate), and all other charges that the housing provider may impose under this Regulation or the *Residential Tenancies Act, 2006*.

The lease or agreement must:

- restrict the occupancy of the unit to the members of the household at the time the lease or agreement is entered into and any additional persons whose occupation of the unit is agreed to subsequently by the housing provider,
- require the household to advise the housing provider of any persons who cease to occupy the unit or commence to occupy the unit after the lease or agreement is executed, and
- prohibit the assignment of the lease or the agreement, as the case may be, and prohibit the household from renting or subletting the unit to any person.

The lease or agreement must provide that the amount of the geared-to-income rent payable by the household for the unit is subject to change if the household’s financial circumstances change to such an extent that the service manager (or their delegate) determines that the amount of the geared-to-income rent payable by the household should change or that the household is no longer eligible for rent-geared-to-income

assistance due to legislation changes or maximum rent is amended by Rent Control Guidelines.

The lease or agreement must be executed by every individual:


- whose income is taken into consideration in determining the amount of rent payable by the household, or
- who is a member of the household and at least 18 years of age, if the service manager(or their delegate) so requires.

A housing provider shall establish rules for the temporary accommodation of guests in its rent-gearred-to-income units and shall provide a copy of the rules in either written or electronic format to the service manager and to the households residing in those units.

Documentation Requirements:

- Templates available from the Region

See Also: HSA Sec 75(2); O.Reg. 367/11 Sec 100

 HOUSING DIVISION Housing Programs – Policies & Procedures	Section	Policy
	5 Approval Date: Nov. 27/12	Revision Date: NEW
Title:	Community Housing Review System – Terms of Reference	
Activity Area:	PROGRAM ADMINISTRATION	

1. Mandate

As Service Manager, the Region of Waterloo is required to have a system for dealing with reviews requested under the Housing Services Act (the Act). The mandate of the “Community Housing Review System” is to fulfill this obligation to:

- a. review eligible requests from applicants for housing or households currently living in community housing subject to the Act
- b. make a decision regarding the request and
- c. communicate that decision to the person(s) requesting the review and any applicable Community Housing Provider

2. Decisions Subject to a Review – the only decisions that will be subject to a review are those identified in Section 156 of the Act.

3. Duties and Responsibilities – to administer the Community Housing Review System in accordance with the Act, related regulations and all policies and procedures established by the Service Manager.

4. Selection of membership

- a. The Service Manager will complete an Expression of Interest process, to all Community Housing Providers, Board members and staff to submit an application for appointment. The application process will include a resolution from the Board of Directors confirming the endorsement of an applicant(s).
- b. Applicants must be able to commit to attending mandatory training and attending scheduled Review System meetings.
- c. Applicants/Housing Provider must be in good standing, and remain in good standing through the term, with the Service Manager (no outstanding or unresolved concerns).
- d. Must comply with O. Reg. 367/11 s. 138

5. Membership selection will be made by the Commissioner, Planning, Housing and Community Services or their delegate

6. Membership

e. Membership will include

- i. Housing Programs (1)
- ii. CHAC (1)
- iii. AAHP (1)
- iv. WRH (1)
- v. Community Housing Providers (3)

f. Chair and Administrator – The Region of Waterloo staff will act as chair and administrators for this committee, duties would include coordinating meeting dates, locations, scheduling review participants, serving required notice of decisions, tracking requests and outcomes. The Chair will not form part of the decision making process and simply act in a resource and administrative capacity.

7. Resignation/Termination and Replacement of Membership

- a. When a member resigns from the Review Body, the Service Manager may replace that member, through the end of the current term, with another applicant from an Expression of Interest process.
- b. When a member ceases to be “in good standing” with the Service Manager, they will be deemed to have resigned from the Review Body. The Service manager will notify the member in writing and replace the position as noted in 7 (a),

8. Terms

- g. Members are appointed for 1 year
- h. Members may serve a maximum of 3 consecutive years

9. Remuneration

Committee Members shall serve without remuneration, however travel and parking costs will be reimbursed in accordance with Regional Policies.

10. Committee procedures and operations

- i. Chair – The Chair will facilitate the meetings



- j. Materials – Materials for the review will not be circulated prior to the meeting and are consider confidential, time will be allowed within each schedule to review the documents.
- k. Meetings – Meetings will be held monthly, an advance schedule of up to 12 months will be provided
- l. Quorum – Quorum to hold a meeting will be 3 members, excluding the Chair
- m. Decision making – if a consensus can not be reached, decision by majority present

11. Participation in decision making

Review System members must maintain adequate separation from the original decision making process or excuse themselves from a review where separation can not be assured. They must be knowledgeable of the Act, its regulation and any related polices and procedures relevant to the decision being made and able to apply them accordingly. Comply with section 138 of O. Reg 367/11

12. Conflict of Interest

Members are expected to undertake their responsibilities on an impartial and objective basis. Any member whose financial or personal interest could be in conflict with the Region is obliged to disclose same at the meeting. Members will not participate in any discussion or recommendations in which their family has any financial or personal interest except in common with other residents of the municipality.

See Also: HSA, s. 155-159; O. Reg 367/11, s. 138, 139; CA 9 Community Housing Review System – Waiting List Reviews; RGI 11 Community Housing Review System – Decisions by Housing Providers

- i. Monthly Unit Activity Reporting Form

a. Capital Expenditures

Appendix A – Capital Expenditures

The following **is not a definitive or comprehensive listing** but an illustration of the treatment of the various types of expenditures. In general, eligible expenses are construction, renovation and substantial repairs. This list should be used as an initial point of reference for Housing Providers when determining which expenditures can be charged to the capital reserve fund and which are operating costs. Unless otherwise specified, listed items are to be charged to the capital reserve fund.

1.0 SITE

- 1.1 Construction of concrete patios
- 1.2 Construction of concrete sidewalks and curbs
- 1.3 Installation of complete fencing – perimeter & unit
- 1.4 Construction of garbage pad
- 1.5 Grounds / landscaping including re-sodding of the grounds, planting or removing trees, shrubs or flowerbeds. **Repairing fences, pruning trees and other general grounds maintenance items are operating costs.**
- 1.6 Installation of interlocking brick pavers
- 1.7 Miscellaneous (signs, benches, etc.)
- 1.8 Paving of parking lots, driveways, sidewalks. **Repairs to asphalt to restore it to efficient operating conditions are operating costs.**
- 1.9 Playground equipment
- 1.10 Retaining walls
- 1.11 Sheds/storage
- 1.12 Sidewalks, stairways, ramps
- 1.13 Site maintenance equipment

2.0 SITE SERVICES

- 2.1 Domestic water service
- 2.2 Electrical power supply
- 2.3 Foundation drainage
- 2.4 Natural gas supply
- 2.5 Sanitary service
- 2.6 Storm water service

3.0 BUILDING STRUCTURE

- 3.1 Balcony Decks
- 3.2 Floor slabs

- 3.3 Foundation walls
- 3.4 Railing (all types)
- 3.5 Structural walls (load bearing)
- 3.6 Structural columns

4.0 BUILDING EXTERIOR

- 4.1 Balcony / Terrace/Patio doors
- 4.2 Building entry (doors, glass, frames)
- 4.3 Complete building caulking, sealants, weather stripping
- 4.4 Eaves troughs, fascia's, soffits, downspouts
- 4.5 Exterior Painting
- 4.6 Exterior wall cladding **ALL cleaning costs are Operating**
- 4.7 Flashing **ALL cleaning costs are Operating**
- 4.8 Roof anchors
- 4.9 Complete roof replacements
- 4.10 Window replacements

5.0 PARKING GARAGE

- 5.1 Carbon Monoxide Detection / Control System
- 5.2 Columns
- 5.3 Drainage System **ALL cleaning/vacuuming costs are Operating**
- 5.4 Heating System
- 5.5 Lighting fixtures
- 5.6 Overhead doors
- 5.7 Ramps
- 5.8 Ventilation/Exhaust System
- 5.9 Walls
- 5.10 Floor / Slab
- 5.11 Waterproof membrane

6.0 BUILDING INTERIOR

- 6.1 Accessibility features / modifications
- 6.2 Appliances – stoves, refrigerators, washers, dryers, A/C units **ALL appliance replacements are Capital**
- 6.3 Complete bathroom upgrades such as the replacement of all fixtures and installation of new tile
- 6.4 Cabinetry/countertops – common/service areas
- 6.5 Drapes or blinds - common / service areas
- 6.6 Drapes or blinds – units



- 6.7 Entrance door – units
- 6.8 Exit stairway/stairwell finishes
- 6.9 Flooring – Common / service areas
- 6.10 Flooring – units
- 6.11 Furnishings - Common/service areas
- 6.12 Handrails – corridors
- 6.13 Interior doors – within units
- 6.14 Kitchen accessories specific to sinks, taps, tile, storage and stove Safe-T-Elements
- 6.15 Kitchen cabinets and countertops
- 6.16 Lockers
- 6.17 Complete building locks/keying systems
- 6.18 Maintenance equipment
- 6.19 Service or common area doors
- 6.20 Suspended Ceiling - common / service areas
- 6.21 Wall & ceiling finishes - Common / service areas
- 6.22 Wall and ceiling finishes–units **ALL costs are Operating**
- 6.23 Common room furniture purchases

7.0 ELECTRICAL SYSTEMS

- 7.1 Baseboard / wall mounted heaters
- 7.2 Common and service area lighting
- 7.3 Distribution panels/boxes, wiring – units
- 7.4 Enter-phone or intercom system
- 7.5 Main distribution panel
- 7.6 Site lighting / pole lighting
- 7.7 Suite lighting
- 7.8 Transformer
- 7.9 Unit door bells

8.0 MECHANICAL & PLUMBING

- 8.1 Air conditioning – chiller
- 8.2 Circulating pumps
- 8.3 Common area, laundry room exhaust fans
- 8.4 Domestic cold water supply
- 8.5 Domestic hot water supply
- 8.6 Domestic water storage
- 8.7 Garbage Bins
- 8.8 Garbage Handling System (compactor, chutes, etc.)

- 8.9 Heating boilers
- 8.10 Heating piping / valves
- 8.11 HVAC – central heating & cooling
- 8.12 Fan coil units
- 8.13 Make up air units
- 8.14 Plumbing fixtures and controls
- 8.15 Plumbing piping systems
- 8.16 Radiators
- 8.17 Recycle Handling System
- 8.18 Sanitary and storm drainage system
- 8.19 Sump Pumps
- 8.20 Unit exhaust fans, range hoods
- 8.21 Baseboard Heaters
- 8.22 Incremental Heating/Cooling Units **Complete replacements are Capital**
- 8.23 Domestic Hot Water Tanks **Complete replacements are Capital**
- 8.24 Furnaces **Complete replacements are Capital**

9.0 FIRE, LIFE-SAFETY, SECURITY

- 9.1 Alarm control panel
- 9.2 Alarm signal devices
- 9.3 Controlled access system
- 9.4 Detectors – Carbon monoxide, heat, smoke
- 9.5 Door operators
- 9.6 Emergency lighting
- 9.7 Exit signs
- 9.8 Fire code compliance
- 9.9 Fire pumps
- 9.10 Generator & transfer switch
- 9.11 Hose and cabinets
- 9.12 Security alarm systems
- 9.13 Security camera system
- 9.14 Smoke & heat detectors and alarms – units

10.0 ELEVATOR

- 10.1 Major elevator upgrades / replacements

11.0 OTHER

- 11.1 Building condition assessments, reserve fund studies, energy audits. **ALL expenditures are Capital**

- 11.2 Code compliance – building and property
- 11.3 Computers - hardware, software, media display, conference equipment, wiring, etc.
- 11.4 Energy efficiency initiatives
- 11.5 Environmental remediation – mould, asbestos, etc.
- 11.6 Insulation – replace / upgrade
- 11.7 Office equipment – leased **ALL leases are Operating**
- 11.8 Office equipment – purchases such as computers and photocopiers
- 11.9 Unit Turnovers – Combined expenses (exclusive of replacement of appliances) over \$4,000 to refurbish an individual unit will be classified as capital. The \$4,000 per unit threshold applies to all Housing Providers.