



# CAO Guide to Self-Managed Condos



Condominium  
Authority of  
Ontario





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## WHAT IS SELF-MANAGEMENT?

A self-managed condominium is one where the board of directors runs day-to-day operations directly instead of hiring condo managers to do it. There are a few reasons why condo boards might do this:

- 1 The condo community's operations can be handled by the board on their own
- 2 The community is too small to justify the cost of management services
- 3 The condo is in a rural area and there are no licensed managers nearby



**Self-managed corporations are bound by the same legal requirements as any other corporation.**

Those who choose to self-manage must carry out their board and legal duties while balancing the many normal day-to-day operational tasks of a condo.

### Typical Management Tasks May Include:



Hiring experts to carry out repairs & upkeep



Filing returns with the Condo Authority



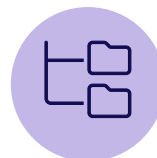
Collecting condo fees



Drafting board and owner meeting minutes

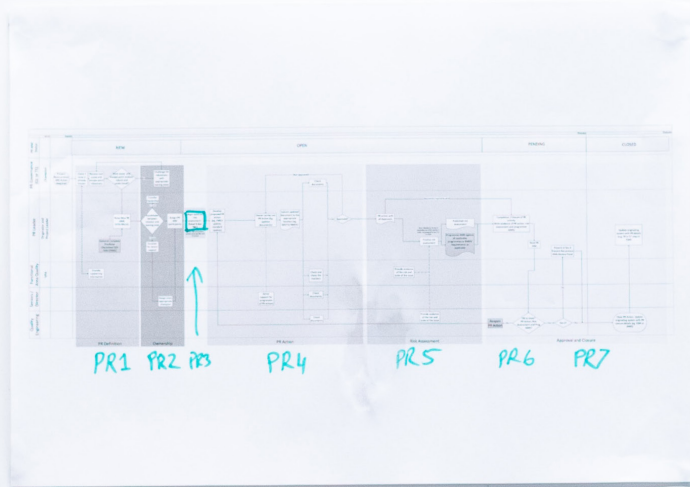


Banking & accounting



Managing records & responding to records requests





Read the [Condominium Management Regulatory Authority of Ontario's guide](#) to find out more about condo managers' duties. Board directors do not need to be licensed to carry out management duties unless they are paid for those duties.



## IS SELF MANAGEMENT RIGHT FOR YOU?

The decision is unique to each corporation's specific needs. Boards can re-assess whether they want to stay self-managed at any time if daily operations become too cumbersome.

Boards also have the option to split the difference by exploring selected or unbundled services from a management company. These are partial services that allow boards to access expert advice on an as-needed basis. Corporations that choose this method are still considered self-managed.





You can use the following checklist to decide if self-management is right for you:

### **How complex are the condo's operations?**

- ☐ Is the property well-maintained?
- ☐ Do we have equipment that needs frequent servicing?
- ☐ Do we have complicated contracts or agreements to oversee?

### **How effectively are we managing daily operations?**

- ☐ Are we able to get work done in a timely way?
- ☐ Is the workload falling to just one board member?
- ☐ Are directors disengaged outside of board meetings?

### **What needed skills does the board lack?**

- ☐ Do we need someone who understands finance and accounting?
- ☐ Do we need someone who understands condo law?
- ☐ Do we need a skilled project manager?

### **How engaged are our owners?**

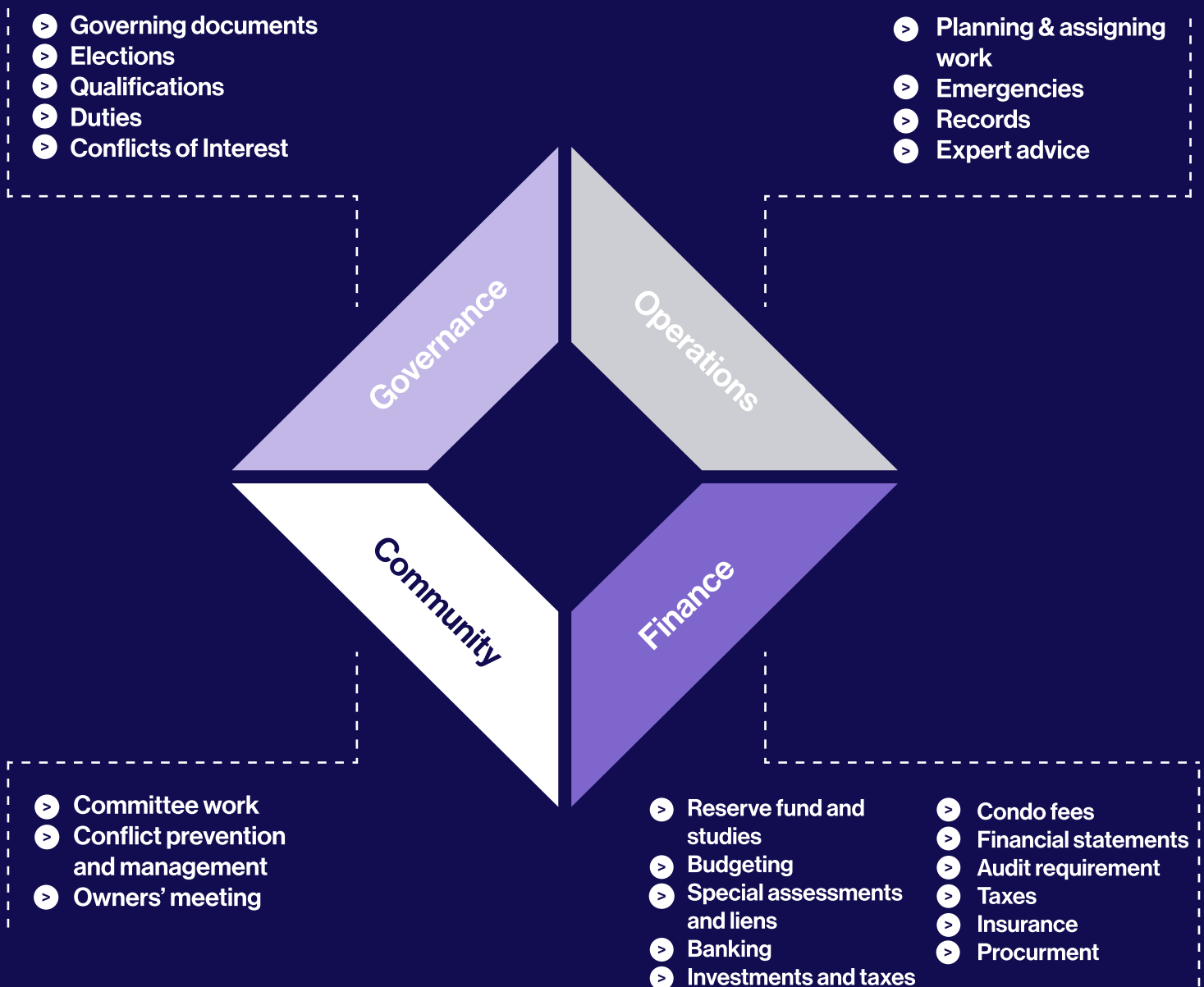
- ☐ Are we lacking committed community volunteers who could replace the board in due time?

### **Have we recently assessed if being self-managed is working?**

- ☐ Have we considered outsourcing activities we are finding challenging to external experts?

# THE FOUR PILLARS OF SELF-MANAGEMENT

Self-managed condo corporation's activities generally fall under four broad buckets:









## GOVERNANCE

Every condo corporation in Ontario is governed by the Condo Act and its regulations. Self-managed condos are no different and volunteer board directors must adhere to the law just like everyone else.

### Governing Documents

Condo corporations are governed not just by the Condo Act, but also by their own “[governing documents](#)” – namely their declaration, by-laws and rules.

The documents exist in a hierarchy and must not contradict each other or the Act. They regulate important things like board powers, owners’ rights, noise, short-term rentals, etc.

### Elections

Condo unit owners elect a board of directors to oversee, and sometimes directly manage the condo. Board members are generally recruited for a term of three years or fewer, as specified by the governing documents.



Read the [CAO Guide on Governing Condos](#) to find out more about board responsibilities and good governance.



Board elections or re-elections must be carried out as per the Act and governing documents without exception each time any currently serving board member's term expires.



Proper elections allow for:

1. The start date to be updated for each director's current term and reflected accurately on the [CAO's Condo Registry](#)
2. Current owners to step up and put forward their candidacy
3. Avoiding a real or perceived notion that the current board is not welcoming to new members

## Qualifications

The Condo Act sets out the basic qualifications, while the condo's governing documents may set out additional requirements.

Corporations should seek individuals who have both the time and skills needed to be effective in their work as a board member.

**See appendix C** for two useful tools that can help:

- > A **questionnaire** to assist prospective directors in assessing their own fit with a self-managed board.
- > A **skills matrix** that can be used to identify candidates that can round out the board's optimal composition.

## Duties

Board members must exercise the care, diligence and skill that any reasonably prudent person would in comparable circumstances. They must also act honestly and in good faith. This is part of the standard of care as defined in the Condo Act. In practice, this means that board members should:

- 1 Diligently attend, prepare for and engage in all meetings
- 2 Perform all tasks they are assigned in a timely way

- 3 Ask probing questions of external service providers and other board members when making decisions

Some self-managed condo corporations may adopt a **Code of Ethics by-law**. This code is typically signed by each board member and outlines standards for time commitment, confidentiality, speaking as 'one voice' once board decisions are made, avoiding conflicts of interest and behaviour at meetings.

## Conflicts of Interest

Condo corporations should be particularly aware of potential conflicts of interest. The Condo Act sets out specific requirements like [mandatory disclosures](#) – or disclosures of activities that would impede a member from carrying out their duties and may include things like litigation, convictions and more.

Another important duty is the board's fair and consistent implementation of the governing documents with owners. This means ensuring that each owner or resident who brings forward a complaint is taken seriously and each person who breaks the rules is treated fairly.

Review CAO's guides on [Governing Condos](#) and [Issues Management](#) for more information.





See [Appendix C](#) of the CAO Guide on Governing Condos for a code of ethics example.





# OPERATIONS

Here are some day-to-day things boards of self-managed corporations do:

-  **1** Inspect the condo's property and equipment
-  **2** Respond to owners' needs
-  **3** Collect condo fees
-  **4** Keep good records
-  **5** Monitor the work of vendors or employees
-  **6** Review contracts
-  **7** Monitor budgets
-  **8** Log and resolve issues
-  **9** Update the fire safety plan and do a fire inspection every year as [required by law](#)



Board members may leverage unit owners who are keen to help with condo operations. One way to do this could be to pass a by-law or resolution that allows for appointing officers to assist for a specific period, such as when a director is on vacation. Make sure owner tasks are well defined when doing this.

## Annual Planning

Board members should establish an annual plan that they clearly communicate to their condo community and that outlines clear responsibilities for getting work done. One director should take the lead in drafting the plan, and all directors should agree with the plan. Here is an approach to drafting the lead director may take:

- 1 **List** all the condo's required activities:
  - a. See the previous page for common examples
  - b. Note any special activities unique to your condo
  - c. Identify your corporation's mandatory deadlines (AGMs, expiring director terms, etc.) using the [CAO's condo calendar tool](#)
- 2 **Schedule** activities on a calendar, allowing for enough time between each
- 3 **Discuss** the draft calendar as a board and consider:
  - a. Are there tasks that can be done remotely?
  - b. How much time does each task require?
  - c. Which director's skills align with each task?
  - d. Are there tasks that can be outsourced or automated, such as bill payments, bookkeeping and financial auditing?
- 4 **Assign** clear areas of responsibilities with associated timelines.

Annual plans should distinguish between tasks that can be executed by an individual director and what must be voted on by the board after discussion.

Here's how directors can monitor ongoing tasks:

- > **Maintain** a list of each assigned responsibility and deadlines
- > **Get** updates from colleagues ahead of board meetings
- > **Understand** whether colleagues need additional help to complete their tasks
- > **Report** on outstanding tasks and provide recommendations on next steps
- > **Confirm** quarterly that all legal requirements have been met or are on track

The table below provides an example of how tasks might be assigned among a five-person board of directors:



The governing documents should also be reviewed periodically to identify any additional requirements. More info on requirements can be found in the [CAO Guide to Annual Condo Act Requirements](#).

Tasks	Frequency	Assigned to:
<b>Oversight</b> <ul style="list-style-type: none"> <li>Develop and review the board's annual plan and monitor the work</li> </ul>	Monthly	<b>Director 1</b>
<b>Admin</b> <ul style="list-style-type: none"> <li>File returns with the CAO               <ul style="list-style-type: none"> <li>Annual returns</li> <li>Notices of change</li> </ul> </li> <li>Prepare information certificates:</li> <li>Prepare periodic Information certificate</li> <li>Prepare meeting notices</li> <li>Prepare status certificates</li> </ul>	Annually  As needed Twice a year As needed	<b>Director 2</b>
<b>Financial management</b> <ul style="list-style-type: none"> <li>Manage banking activities:               <ul style="list-style-type: none"> <li>Collecting condo fees</li> <li>Prepare bank deposits</li> <li>Prepare financial statements</li> <li>Act as signing officer</li> </ul> </li> <li>Must be a different director: Prepare cheques for signature and execute payments</li> </ul>	Monthly	<b>Director 3</b>
	Monthly	<b>Director 1</b>
<b>Owner relations</b> <ul style="list-style-type: none"> <li>Respond to owner inquiries or issues</li> <li>Maintain records and provide them to owners</li> </ul>	As needed	<b>Director 4</b>
<b>Coordinate repairs &amp; maintenance</b> <ul style="list-style-type: none"> <li>Coordinate repair work</li> <li>Oversee suppliers</li> <li>Provide notice to owners when right of entry is required</li> </ul>	As needed	<b>Director 5</b>





Owners are **not** entitled to records relating to employees of the condo (except employment contracts), actual or contemplated litigation and information that identifies specific units, such as how owners communicate with the condo or portions of proxies or ballots.



## Emergency Preparedness

Boards should identify back-ups when assigning tasks in case a director is unavailable or unable to meet deadlines.

They should also set after-hours and emergency coverage for events like broken pipes, elevator malfunctions, noise complaints or severe weather. This can be as simple as forwarding the corporation's telephone to a director's phone or creating an "on call" schedule.

Copies of the condo's emergency plan should be shared among directors so that everyone can implement the plan if an emergency arises. Condos may also want to communicate the emergency plan to owners and involve them in updating or testing it. The board should continually test and review their emergency plan to ensure it reflects the condo's current operating realities.

## Records

Corporations need to keep good records and provide most of them to owners when requested.

The Condo Act distinguishes between core and non-core records. Owners are entitled to both.

### What's the Difference?

There are more restrictions on the costs that condo corporations can charge for providing core records.

Corporations must provide core records within 7 days of receiving the required fee, if applicable. They have 30 days for non-core records.

## Core records include:

	Governing documents		Current plan for future funding of the reserve fund
	Records of owners and leased units		Periodic information certificates for the past year
	Mutual use agreements		Meeting minutes for the previous 12 months
	Most recently approved financial statements		The most recent auditor's report
	Current fiscal year's budget		Anything else outlined as core in the by-laws

**Non-core records** include everything else.

Corporations must generally retain records for 7 years but specific requirements vary. Review our [guide to condo records](#) to ensure that your self-managed condo is retaining everything appropriately.

Boards should familiarize themselves with the request process for [core](#) and [non-core records](#) and ensure they respond within 30 days of a request using the required form.

## When to Seek Expert Advice

Self-managed boards can't do everything on their own. Sometimes issues may arise that require expert support. It's important to recognize these situations and seek help from:

- > **Lawyers** practicing condo law or employment law
- > **Accountants** and other financial professionals
- > **Architects** or design professionals
- > **Engineers** - structural, mechanical or electrical
- > **Other consultants** - project managers, security, IT, etc.

Boards should carefully consider following expert advice or document their rationale for not doing so when faced with a complex issue. Directors are generally not liable for decisions they make if they apply a reasonable standard of care. However, directors acting against professional advice [may be personally liable](#) for certain decisions under [the Condo Act](#).







# FINANCE

This section will cover the following concepts that are critical to financial management:

- > Reserve fund and Reserve Fund Study
- > Budgeting
- > Special assessments and liens
- > Banking
- > Investing
- > Calculating condo fees
- > Financial Statements
- > Audit requirements
- > Taxes
- > Insurance
- > Effective procurement

Consult the [CAO Guide on Condo Finances](#) for more information.



## Reserve fund and the Reserve Fund Study

The reserve fund is a dedicated mandatory account that the corporation can draw from to address major repairs or replacements of common elements and assets.

Boards collect money for the reserve fund through condo fees paid by owners.

The process for setting and using reserve funds is regulated in the Condo Act

1

Boards must begin by engaging with a [qualified professional](#) such as an engineer or architect to conduct a Comprehensive Reserve Fund Study within its first year of existence.





Boards must create a plan for the funding of the reserve fund within 120 days of receiving the study.



The board must then send owners a [Notice of Future Funding](#) form that includes:

- A summary of the reserve fund study and any other information
- A summary of the plan for future funding of the reserve fund
- Statement of any areas where the plan differs from the reserve fund study
- Any other information on the proposed plan for the future funding of the reserve fund required



Condo fees should be adjusted if needed to ensure adequate reserve funds.



Studies assess the condition of the condo's assets and property as well as the financial needs to repair and replace them over a 30-year period.



The plan must ensure that the fund is adequately financed by the end of the fiscal year.



A copy of the [Notice of Future Funding](#) form must also be sent to the corporation's auditor.



The reserve fund study is updated every three years, as shown next:

2

3

4

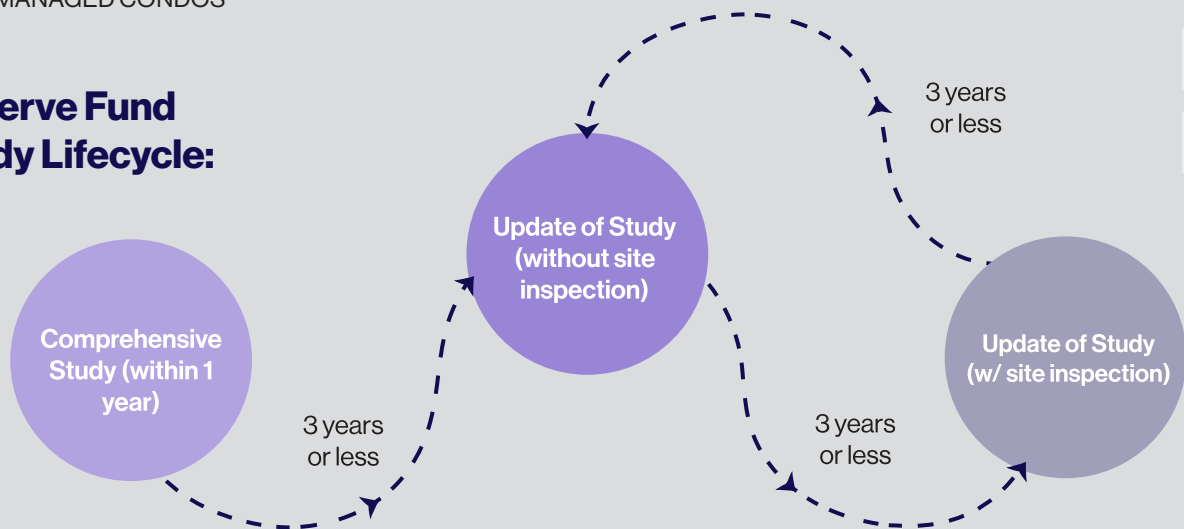
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6

7

8

## Reserve Fund Study Lifecycle:



Here is the difference between the different kinds of reserve fund studies that corporations must carry out by law:

**Comprehensive study** - experts physically examine the property, review records and interview directors, employees and agents of the corporation and then make a minimum 30-year reserve fund projection.

**Updated study with a site inspection** - a site inspection that includes many of the requirements of the comprehensive study. The [regulations detail this type of study further](#).

**Updated study without a site inspection** - this study only requires a review of records and interviews with the directors, employees and agents of the condo corporation.

### What can the Reserve Fund be used for?

The reserve fund can only be used for repairing or replacing common elements and assets listed in the component inventory which will require attention in the next 30 years.



The reserve fund study is a critical component of condo governance and informs many other board decisions. More information about reserve fund studies can be found on our website or in the [CAO Guide on Condo Reserve Funds](#).





Budgets should be realistic and put forth plans that provide value to owners and the corporation.

## Budgeting

Boards must keep annual budgets that they use to estimate expected costs and revenues over a 12-month period. These have two components:

- > The **operating section**: Sets out the costs of staffing and operating day-to-day services
- > The **reserve fund section**: Establishes the required reserve fund contribution as established in the reserve fund study that the corporation undertakes periodically

## Special assessments and Liens

Boards that find themselves in financial strains may choose to levy a **special assessment** – this is one or more additional charges to owners on top of regular condo fees.

Reasons for assessments should be communicated early and thoroughly to owners. Boards should allow for owner input on how the gap in funding will be filled so ways to avoid assessments can be found.

On the flipside, there may be situations where an owner is defaulting or is late on paying their condo fees. The corporation can automatically take a **lien** on the owner's unit [as stated in the legislation](#). Liens are a legal claim against an asset that can be used to pay back a debt. The lien covers the unpaid amount plus interest, and any reasonable legal costs incurred by the corporation to collect the fees.

The corporation has 3 months to register a certificate of lien before it expires.

## Banking

The Condo Act sets out certain requirements for a corporation's banking activities:

- > The location of the condo corporation's **bank accounts must be in Ontario** and at a [financial institution authorized by law](#) to receive money on deposit
- > The bank accounts must all be in the legal name of the condo corporation and board members should not mix their personal banking with corporation banking

Condo corporations are required to have at least two separate bank accounts to comply with [the Condo Act](#) – the **operating account** and a **reserve fund account**.

Corporations must deposit common expense fees into the operating account and immediately transfer the reserve fund portion to the reserve fund account. Directors must not transfer money back to the operating account.

## Investments

Directors may invest funds from both the operating and reserve fund to earn additional revenue, but must focus on low-risk eligible securities as defined by [the Condo Act](#).

This includes bonds or other instruments issued and guaranteed by:

- > The Government of Canada or any province or territory of Canada
- > An Ontarian institution insured by Canada Deposit Insurance or the Financial Services Regulatory Authority of Ontario
- > Or is a security of a prescribed class

Learn more about investments by reviewing the [CAO Guide on Condo Finances](#).



Transfers from the corporation's reserve fund to the operating are expressly prohibited and will be noted in the auditor's report as a contravention of the [relevant legislation](#).





Boards should actively monitor monthly owner common expense contributions and ensure that default situations are identified in a timely manner.

## Calculating condo fees

Owners must pay condo fees that are set based on the proportions outlined in the condo's declaration. These proportions generally relate to unit sizes.

## Financial statements

Owners, banks, auditors and board members use financial statements to gauge the financial health of the condo corporation. Statements provide the financial position of the corporation and may be prepared by a board member or delegated to an external bookkeeper.

Directors must know how to interpret various financial statements they receive. The information is essential when making decisions for a condo.

Boards should be aware of two types of financial reporting:

- > **Monthly Unaudited Financial Statements:** The monthly reports that summarize the financial activities of a corporation and are used by the board members to inform their ongoing financial decision-making.

They illustrate the income and expenses that have been transacted since the last financial statements were produced and where things stand as of the current month.

- > **Annual Audited Financial Statements:** The annual report that provides a detailed account of the corporation's activities for the fiscal year. The board of directors are responsible for the preparation of these statements and the statements are then vetted by an external auditor.

Once audited, the board reviews and approves the draft audited financial statements, which are then sent to owners and presented to them at the annual general meeting.

Learn more by reviewing the [CAO Guide on Condo Finances](#).

## Audit requirements

Condo corporations are generally required to engage the services of a professional auditor appointed at the AGM by the owners.

The auditor usually submits a report to the board which sets out their official opinion on the quality of the financial statements. All directors should read the audit report as it will contain any financial contraventions to the Condo Act.

Some small condo corporations have the option to forgo the annual audit as permitted under [the Condo Act](#), if the following conditions are met:

- > A turnover meeting was held and the corporation has fewer than 25 units
- > The corporation has obtained written consent from every owner to forgo the audit requirement. Consent must be provided on an annual basis

## Taxes

Condo corporations are non-profit organizations and [do not pay income taxes on common expense fees](#).

However, income such as guest suite rentals and party room rentals are not tax exempt. Condo corporations earning these types of income should consult with their auditor to determine implications.

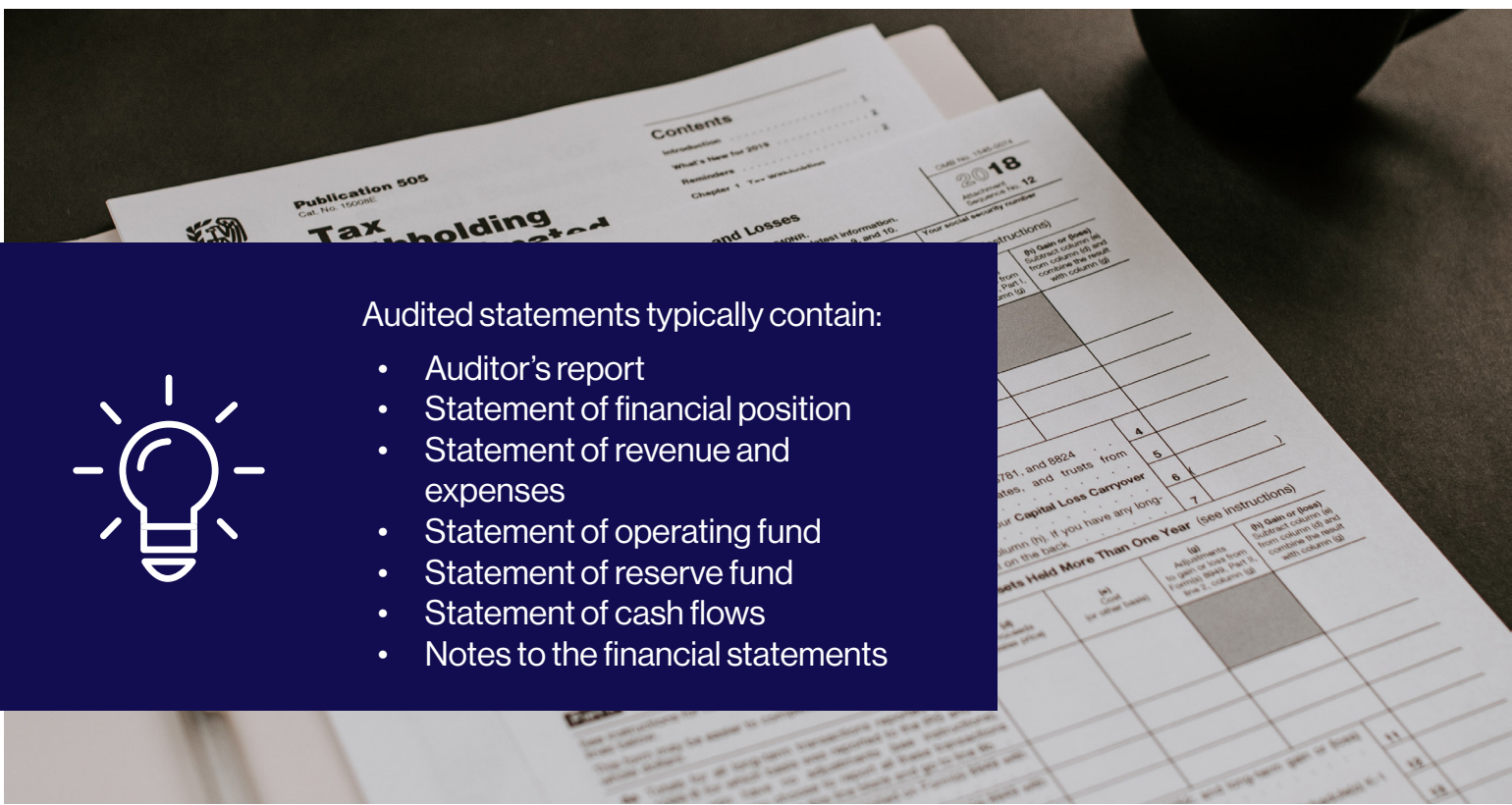
## Insurance

Condo corporations are required by law to be insured against:

- > [Damage](#) to units and common elements
- > [Liability](#) resulting from breach of duty to keep common areas safe or use of machinery
- > [Liability](#) for directors and officers of the corporation being held personally liable while carrying out their duties. This type of insurance does not apply to directors that do not act in good faith

Audited statements typically contain:

- Auditor's report
- Statement of financial position
- Statement of revenue and expenses
- Statement of operating fund
- Statement of reserve fund
- Statement of cash flows
- Notes to the financial statements





## Effective procurement

There are typically three main approaches to effective purchasing:

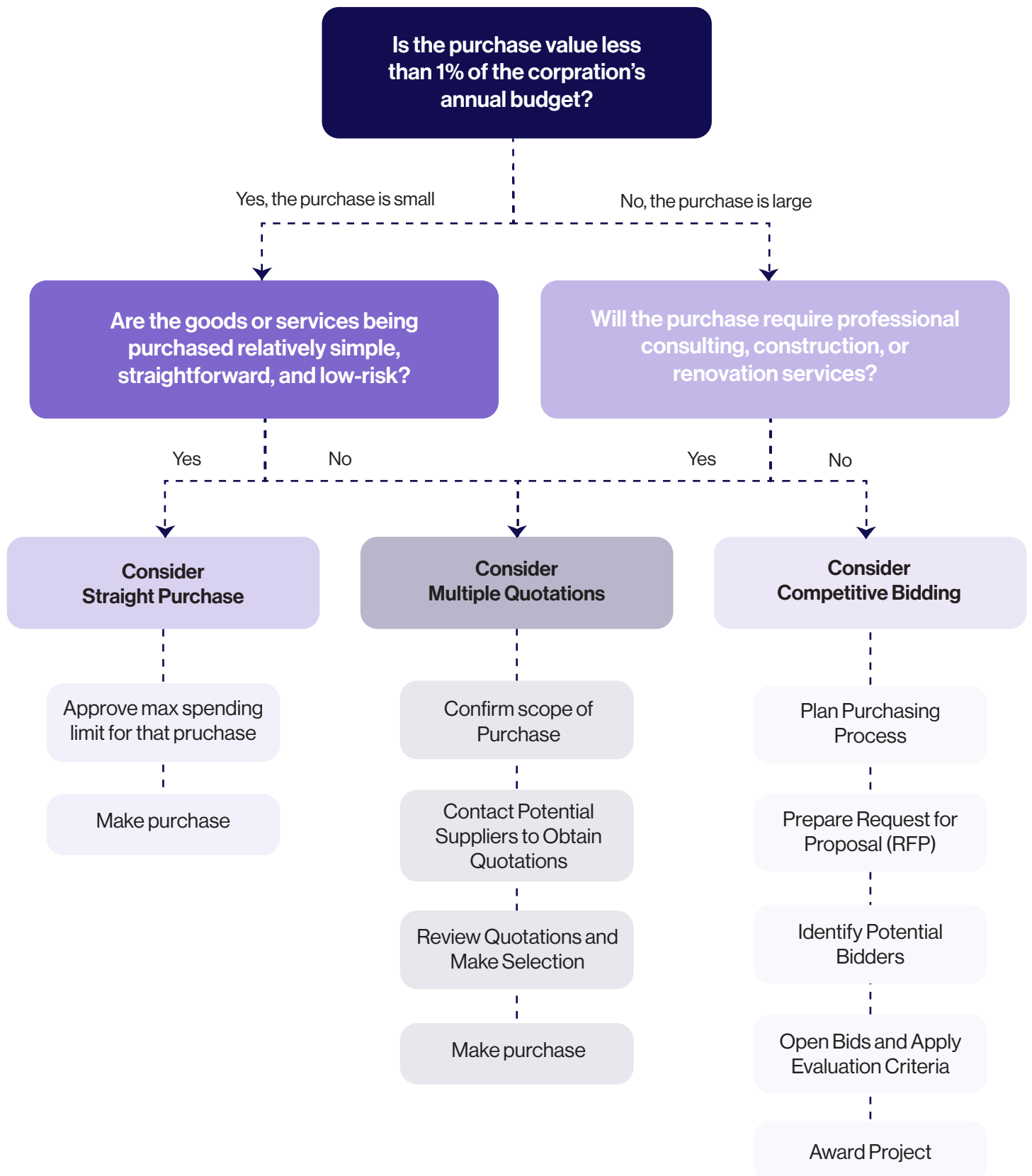
- > **Straight purchases**, such as emergency repairs or transactions that are too small to warrant the effort of obtaining multiple quotes. For example, the purchase of a new lawnmower
- > **Multiple quotes** for larger purchases like replacing exterior door handles, painting the lobby or landscaping services
- > **Competitive bidding**, often referred to as a 'Request for Proposal' or 'Request

for Services' and is used when the board may not be certain of the right approach for larger projects. A scope of work is specified by the board and issued to prospective suppliers, who then ask questions and prepare a formal proposal to the board outlining an offer

Procurement can be a complicated process and expert advice can be helpful.

This flowchart outlines the key questions and answers for each of the three purchasing approaches:











# COMMUNITY

Boards should use all the tools at their disposal to communicate clearly and frequently about important issues with owners and residents.

Here are some useful tactics:

1



Regular newsletters

2



Posting information in a public display area

3



Using an online community portal

4



Using social media groups

5



Holding formal and informal community meetings

## Committee Work

Boards often have committees that are tasked with overseeing a specific area of operations. For example, a committee could be put together to find a reserve fund study provider. These could be good opportunities to leverage owners who are interested in getting involved.

As a best practice, a board member should hold the Chair of the Committee role in these instances.

For more information on forming Committees see pages 43-46 of the [CAO Guide to Governing Condos](#).



Read the [CAO Guide on Issues Management](#) to learn more.



## Conflict Prevention and Management

The board and especially the board president play a central role creating a harmonious climate in the condo community.

Boards should manage expectations on timelines and process of addressing issues. Here are some best practices for achieving this:

- 1 Promote respectful communication and focus on positive outcomes rather than emotions.
- 2 Listen to and acknowledge owner concerns
- 3 Educate the community about the board's role
- 4 Establish processes that ensure fair treatment of all issues and owners







See for the [CAO Guide to Virtual Owners' Meetings](#) and more.

## Owners' Meetings

Corporations can hold owners' meetings and associated votes in person, virtually or by phone.

**Turn-over meetings** must be called by the developer or landowner within 21 days of them no longer owning most of the units in the condo and must be held within another 21 days. This is an important meeting where a new board is elected by the owners to replace the old developer-controlled board. The new board also is handed important documents relating to the corporation during this meeting.

**Owner-requisitioned meetings** are held on the request of owners to discuss any topic with the board. Common topics may include the removal and replacement of a director before their term expires, resident behaviour, voting on a proposed rule and more.

**Annual General Meetings** are required by the Condo Act and are a chance for the board to show accountability and transparency with owners by providing updates on important projects. Each AGM must be held within six months of the corporation's fiscal year-end.

Topics for AGMs include presenting audited financial statements, appointing an auditor for the next year, electing new directors and discussing future projects, challenges or events. Owners must get a [preliminary notice](#) at least 20 days before the AGM followed by [Notice of Meeting](#) at least 15 days before.

Owners representing at least 25% of the units must attend for the meeting to go ahead. If boards fail to get this quorum two times in a row they can hold the meeting on the third try with owners representing only 15% of the units present. Owners can attend and vote by sending a proxy, as long as they complete a proxy form.

AGM meetings are usually chaired by the president of the board or the condo's lawyer if complicated legal matters are on the agenda. The chair's duties include keeping the meeting on track and ensuring everyone gets a chance to contribute.





## Condo Records

Self-managed corporations may need to collect and store personal information of employees, unit owners and tenants as part of their duties.

The Condo Act sets out which records corporations have to keep, for how long, how they must be stored and how access must be granted to owners under what timelines.

### Records Owners are Not Entitled to

Owners must be able to access most records, except:

- Employees' personal information outside of their employment contract with the corporation
- Records about the corporation's current or pending legal actions
- Personal information about other specific units or owners, including information about voting or proxies

Owners may sometimes request access to records that contain this information as part of a larger package. Corporations must redact this information and attach statements justifying redactions when they provide those records.

## Record of Owners and Mortgagees

New owners should provide their corporation with their full name, unit number and address for service – if different from their unit address.

Every condo corporation must compile this information into a single record called the record of owners and mortgagees. All portions of this record except owner email address are accessible without redaction.





The CAO has created sample proxy forms to help guide owners in completing their own proxy forms.

## How can the Corporation Store its Records?

Paper records must be kept:

- > On the corporation's property or another appropriate location
- > At the office of the condo manager or management services provider if that location is reasonably close to the corporation

Electronic records must be kept:

- > In a system that can reproduce the records in a reasonable time
- > Includes protection against unauthorized access
- > In a way that protects against loss, damage, or inaccessibility of the records

## Electronic Documents Act

PIPEDA is a federal law that regulates how private organizations in Canada can collect, use and disclose personal information. Under this law, organizations must:

- > Obtain an individual's consent when they collect and use their personal information
- > Identify the purposes for which the information is being collected and use the information only for those purposes
- > Keep the information as long as is required for those purposes

Under PIPEDA, people have a right to request access and challenge the accuracy of their own personal information held by an organization.

Read more about this on the [Office of the Privacy Commissioner of Canada's website](#) and [10 PIPEDA fair information principles](#).





## APPENDIX A: MANAGING GOVERNANCE & OPERATIONAL ACTIVITIES

The following table contains a list of governance and operational activities organized in order of frequency or occurrence.

Those identified in **bold** are requirements of the Condo Act and Regulations. Those identified in plain type are strongly recommended but not required.

Frequency or occurrence	Key activity
As Needed	<ul style="list-style-type: none"> <li>• <b>Preparing Status Certificates</b></li> <li>• <b>Notice of Change</b> to file with CAO no later than 30 days after the change occurs.</li> <li>• Responding to Owner concerns</li> <li>• Coordinating repair work or other projects</li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Maintain the records of the corporation</b></li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Comply with any other requirements of the corporation's governing documents</b></li> </ul>
	<ul style="list-style-type: none"> <li>• Hire and oversee suppliers and service providers for the corporation, such as cleaners, landscaping or gardening, security, snow removal, lawn care, window cleaning, painters, others</li> </ul>
	<ul style="list-style-type: none"> <li>• Implement an emergency management plan and respond to emergencies</li> </ul>
Daily	<ul style="list-style-type: none"> <li>• Check and respond to corporation's email</li> <li>• Open postal mail</li> </ul>
Weekly	<ul style="list-style-type: none"> <li>• Walk-around of property and check on key systems to ensure they are functioning</li> <li>• Oversee any corporation employees (such as superintendent, cleaners, security staff)</li> </ul>



Frequency or occurrence	Key activity
Monthly	<ul style="list-style-type: none"> <li>Plan and conduct board meetings</li> <li>Report to the board on the affairs of the corporation</li> </ul>
	<ul style="list-style-type: none"> <li><b>Collect common expenses fees</b></li> <li>Prepare monthly financial statements and monthly variance report</li> <li>Prepare and conduct bank deposits</li> </ul>
	<ul style="list-style-type: none"> <li>Prepare cheques for signatures</li> <li>Pay bills</li> </ul>
	<ul style="list-style-type: none"> <li>Test fire alarms, if required</li> <li>Coordinate and track routine maintenance and equipment service</li> </ul>
Twice per year	<ul style="list-style-type: none"> <li><b>Prepare and send first PIC (within 60 days of the end of the first quarter)</b></li> <li><b>Prepare and send second PIC (within 60 days of the end of the third quarter)</b></li> <li><b>Prepare any additional PICs required by the corporation's by-laws</b></li> </ul>
Annually	<ul style="list-style-type: none"> <li>Discuss any upcoming board vacancies and decide if they need to be filled or wait for the next AGM</li> <li>Identify desirable skills for incoming board members</li> <li>Identify potential candidates for the board</li> </ul>
	<ul style="list-style-type: none"> <li>Review last year's AGM minutes and ensure actions arising have been addressed</li> <li>Set date and <b>conduct an AGM</b> (must be within 6 months of end of fiscal year)</li> </ul>
	<ul style="list-style-type: none"> <li><b>Prepare and file annual return with CAO</b>, between Jan. 1 and March 31 of each calendar year</li> <li><b>File a notice of change within 30 days with CAO</b> in the event of any changes throughout the year</li> </ul>
	<ul style="list-style-type: none"> <li><b>Annual Audited Financial Statements</b></li> <li><b>Prepare and distribute Preliminary Notice of AGM to owners within the prescribed timeline.</b></li> <li><b>Prepare and distribute Notice of Meeting and materials before AGM</b> (e.g., minutes from previous year's AGM)</li> <li><b>Appoint the auditor</b></li> </ul>

Frequency or occurrence	Key activity
Annually	<ul style="list-style-type: none"> <li>• <b>Prepare annual operating budget for the next fiscal year</b></li> </ul>
	<ul style="list-style-type: none"> <li>• Create an annual plan that lays out the governance and operational requirements of the corporation.</li> <li>• Distribute calendar invitations to board members for:               <ul style="list-style-type: none"> <li>◦ Board meeting dates</li> <li>◦ AGM and other key deadlines</li> <li>◦ Condo community events (such as planned holiday parties or summer barbeques)</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Review insurance coverage</b></li> <li>• Obtain insurance appraisal</li> </ul>
Biannually +	<ul style="list-style-type: none"> <li>• <b>Update the Reserve Fund Study as required</b></li> </ul>
	<ul style="list-style-type: none"> <li>• <b>Create and Review Plan for Future Funding within 120 days of receiving the RFS</b></li> <li>• <b>Notice of Future Funding of Reserve Fund</b> (sent to the owners within 15 days of the board proposing a plan for future funding.</li> <li>• <b>Copy of Reserve Fund Study, Copy of Proposed Plan and Notice sent to Owners</b> (must be sent to Auditor within 15 days of proposing a plan)</li> </ul>
	<ul style="list-style-type: none"> <li>• Periodic contract reviews and/or re-bidding by each supplier or service provider, to ensure value for money</li> <li>• Reviews of the governing documents to identify any issues, inconsistencies, or areas of improvement</li> <li>• Reviews to assess whether self-management continues to be the best choice for the corporation</li> </ul>



## APPENDIX B: A CHECKLIST FOR PURCHASING GOODS AND SERVICES

When purchasing goods and services this checklist can be helpful in determining the need, work required, and other decisions:

### Buying goods and services

#### Step 1: Define the purchasing need

- ☐ **Which director will act as the single point of contact?** Note this does not mean that one person will make the decision or choose a supplier. The full board must still make all decisions.
- ☐ Agree as a full board on the scope of work required.
- ☐ Distribute the scope in writing to the board to ensure everyone is in agreement about any inclusions or omissions.

#### Step 2: Identify and select the right procurement approach

- ☐ **Identify the purchasing process required.** For small or one-time purchases, the board may decide to purchase the item or service outright (such as flowers for the garden, or a locksmith to change the lock on the entry door).
  - ☐ **Confirm at what dollar value must the condo obtain multiple quotes – and how many are needed.** If undefined in the condo's bylaws, the board should discuss and agree a dollar value that can be used for this purchase and in future (e.g. pass a rule to be approved by owners at the next opportunity)
  - ☐ **Prepare a written description of the work required, and provide to potential suppliers.** Writing down the board's expectations and the 'scope of work' is the best way to obtain quotations that can be compared to each other easily.
- ☐ **Identify potential suppliers and request a quote.** Consider local companies, companies referred from other condos in your community, and also online vendors that may be able to deliver goods or services to your location.

## Buying goods and services

### Step 3: Identify the right goods and suppliers

- ☐ Are there **multiple suppliers** in your community or available online?
- ☐ Can we obtain enough quotes for each purchase?
- ☐ Do a **conflict check**. Does any director have personal relationships or a material interest in the outcome of this process?
- ☐ Obtain the necessary **disclosures**.

### Step 4: Select and run a successful procurement process

- ☐ Obtain the required number of **quotes** for each purchase.
- ☐ If using competitive bidding, set up a small committee (or designate the full board) to use as the bid evaluation team.
  - ☐ Agree on 3 or 4 basic criteria that the board will use to evaluate each bid.
  - ☐ Have each committee member write down their evaluation of each bid and compile them for discussion.

### Step 5: Make the purchase and award the contract

- ☐ Confirm the successful bidder and award the project OR make the purchase.
- ☐ Don't forget to communicate with unsuccessful bidders to provide any feedback on their bid and help ensure they are willing to submit a bid next time.

### Step 6: Monitor

- ☐ Review the condo's purchasing habits from time to time and evaluate whether there are changes needed:
  - ☐ Do we get enough bids?
  - ☐ Do we receive quality bids at a good price?
  - ☐ Are we comfortable we are getting best value or money for goods and services?



## APPENDIX C: TOOLS FOR BOARD DEVELOPMENT

All boards benefit from directors with a range of experience and points of view.

The following two tools can be applied to current board composition, used to identify skills gaps and desirable attributes of a future board candidate:

### Prospective Board Member Self-Assessment

Ongoing board renewal can be a challenge for self-managed condo boards. It can be helpful to be continually promoting opportunities to serve on the condo board, and its committees. When board vacancies arise, the community has a pool of candidates that may be willing to stand for election.

In addition to establishing whether an individual meets the criteria set out in of [the Condo Act](#), prospective directors may wish to perform a self-assessment to test their interest and areas of highest value. This will help them when applying for a board vacancy and communicating their qualifications to the other owners.

#### 1. Why am I interested in serving on the condo's board of directors?

#### 2. How familiar am I with our condo's finances? What observations have I made about our financial well-being? Do I have any thoughts about the priorities in the coming year?

**3. What past board governance experience do I bring? How familiar am I with our condo's operations and the requirements of the corporation?**

**4. Given that our condominium corporation is 'self-managed, how can I contribute to a hands-on role to run the condo's operations? How do I feel about how things are run today?**

**5. For prospective candidates without condo familiarity or board experience: Being a self-managed condo, the board needs to rely on the expertise of several people to be effective.**

**In which of the following areas do I bring the most value:**

- ☐ Planning and coordinating repair work around the property
- ☐ Bookkeeping, banking, and preparing financial statements
- ☐ Helping to manage the property, such as performing weekly walkabouts the property, equipment checks and informal inspections
- ☐ Coordinating and overseeing the work of service providers such as contractors, plumbers, landscapers, painters, others
- ☐ Communicating with owners and setting up required owner meetings and AGMs each year
- ☐ Identifying potential suppliers and service providers
- ☐ Obtaining supplier quotes and estimates
- ☐ Managing the condo's important records
- ☐ Coordinating the board's planning activities
- ☐ Managing owner correspondence and other administrative tasks
- ☐ Other activities?



**6. Would I be prepared to accept assigned responsibilities? If so, how many hours per week would I be willing to dedicate to board work?**

**7. What significant travel plans or other commitments do I have that might interfere with upcoming board work?**

**8. Do I have any potential conflicts of interest, such as having significant financial involvement with a current or prospective supplier to the corporation? What is the process I need to follow to disclose these conflicts?**

## Board Skills Matrix

Successful boards often use a tool to assess their current and desirable skills, called a skills matrix. It helps them ensure that the group has a good mix of skills and experience. It is especially useful at times when a board vacancy is anticipated, and the board's composition may be changing. Where one director brought strong legal or bookkeeping skills in the past, the next board member may bring a completely different set of skills.

The skills matrix can include any additional skills and competencies that the board feels is necessary. The following table has been customized for a five-person board of directors:

	Director 1	Director 2	Director 3	Director 4	Director 5
Term end date:	VACANT				
Skills and competencies:					
Legal					
Property management or building management					
Engineering or architecture					
Accounting or bookkeeping					
Project management					
Information technology					
Risk management					
Strategic planning					
Communications or public relations					



	Director 1	Director 2	Director 3	Director 4	Director 5
Term end date:	VACANT				
<b>Skills and competencies:</b>					
Conflict Management or dispute resolution					
Other					
<b>Past experience:</b>					
Major capital project or construction					
Procurement					
Governance					
Financial instruments or investing					
Other					
<b>Diversity and inclusion:</b>					
Multi-language competency					
Self-declared diversity					
Other					

## Instructions:

- Add or remove columns as needed to align with your current board size, and number of vacancies
- Add or remove rows as needed to identify your board's skill needs and priorities
- For each column, write in one director's name, their term end date, and identify their specific areas of contribution. Try to be as specific as you can
- Once columns for each existing director is complete, look across each row and identify where there are gaps or missing experience
- Discuss the identified missing skills, competencies, and desired experience, and compose a brief 'prospective director profile' that feels right to the board
- Consider circulating the prospective director profile to the community in advance of the next director election and invite owners to consider if they can offer any of the desirable skills or experience

Boards should also remember that using a skills matrix can be a useful discussion starter and good for communication.





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