

CCDC (NDS) Policies and Procedures

As Amended through: November 14, 2016

NOTE: The board of directors voted on November 14, 2005 to adopt NASCO Development Services as a dba for the organization, which will legally continue as the Campus Cooperative Development Corporation. In the policies below, it will be referred to as NDS.

I. NDS Governance

A. Board Travel Reimbursement. Expenses that board members incur traveling to and from board meetings are eligible for reimbursement under the following circumstances:

- Board travel is defined as transportation costs only.
- Board members must submit all receipts within 30 days of the meeting.
- Board members may only request for personal reimbursement, not for expenses incurred by their sponsor organizations.
- Reimbursement will be weighted according to the cost of travel.
- No reimbursement is more than 50% of total travel cost.
- One half of the funds are available for the summer meeting, and one half for the manager's conference. [1/24/01]
- In the event that this requirement of partial travel funding would constitute a financial hardship, NASCO will, with the approval of the NASCO Development Services Executive Committee, waive this requirement and cover the full cost of the board member's travel expense. [3/2/10]

B. Meetings of the Board

1. Meeting Times. The Fall NDS Board meeting shall coincide with the NASCO Institute; the Spring meeting shall coincide, if possible, with the NASCO Staff Conference. [5/15/92]

2. Staff Attendance at Meetings. All development staff shall attend all meetings of the NDS Board, and funds shall be set aside in the budget for their travel expenses. [Proposed at 11/6/92 meeting]

3. Distribution of Minutes. Staff shall distribute minutes to the Board within two weeks of each meeting.

C. Committees of the Board (11/95) (no committees established at this time.)

D. Conflict of Interest. At the first meeting of each Fiscal Year, and upon appointment to the Board of Directors, each director shall sign a Code of Conduct. The Code of Conduct form shall include space for directors to disclose any actual or potential conflicts of interest. Potential conflicts of interest so disclosed shall be reviewed by the Board of Directors at the time of disclosure.

II. NDS Staffing

A. Staff Contract

1. NASCO Contract. NDS contracts with NASCO to provide staffing for the technical assistance aspects of NDS's operations. [5/1/87]

2. Executive Director: The NASCO Executive Director shall also be the NDS Executive Director. The Executive Director shall be considered an office of the corporation for the purposes of legal, administrative and tax issues.

2. Financial Services. NDS contracts with NASCO to handle administrative and financial

services. [7/15/89] [6/3/95]

B. Additional staff: Canadian Staff. The staff is authorized to negotiate with NASCO for a Canadian staffperson once \$20,000 [CDN] in yearly dues have been pledged. [4/27/90]

III. Project Selection Criteria

A. Project Requirements:

NDS will only engage in a contract for co-op development services with a group which meets, or aims to meet, all of the following requirements. The contracting co-op should furthermore ensure their long-term compliance with these requirements by including them in their organizing documents.

- 1) The Project is to develop a housing cooperative which follows the Cooperative Principles:
 - Property is intended to be owned by the cooperative or controlled by contract by the cooperative.
 - The cooperative is democratically controlled by the membership. All residents are eligible for membership and constitute at least 51% of the membership.
 - The cooperative is not effectively controlled by another organization (such as a landlord, university, etc.), exists independently, and can act autonomously.
 - Housing is provided to residents by a contractual agreement, and residents contribute to the economic operation of the property.
 - The cooperative provides education and training to its members in the principles and practices of cooperation. This should include both the member's duties in the operations of the co-op, their role in the governance of the co-op, and the role of cooperatives in society at large.

2) The cooperative serves an educational or charitable purpose, such as serving students, educating the community about cooperatives, or providing affordable low-income housing. The cooperative should be organized on a non-profit basis, with limited returns on member equity, and with a dissolution clause that directs any remaining assets of the co-op to a 501(c)3 organization serving cooperatives.

B. Project Priorities:

If there is insufficient staffing capacity to accept all proposed projects that meet the above requirements, the Director of Development shall select projects based on the relative merits in the following categories:

- Likelihood of project completion
- Viability of proposed co-op
- Time to completion
- Number of individuals to be served by the completed project.
- Availability of affordable housing in the area (lack thereof). This may include predictions of future availability based on current trends.

C. Overall Development Goals:

The NDS board will create annual goals for development projects. Staff will report performance based on these goals, and select projects in order to best meet these goals.

IV. Project Guidelines

A. Project Responsibilities

1. Member Equity. Projects will provide a certain percentage of their own equity financing through loans from local sources. Staff will try to incorporate a strong equity component into each project's financing. [12/8/89]

2. Dissolution Clause. Articles of Incorporation of NDS projects must be amended so that assets go "toward student cooperative development," unless specifically exempted by the NDS Board.

B. Project Administration: For each project, NDS will appoint someone (generally a NDS Board member) to monitor the work and advise the staff on a project. [12/8/89]

C. Project Fees

1. Staff Expenses. Project fees should cover direct staff expenses, as well as a "success fee" component to cover NDS overhead. [6/23/88]
2. Success Fee. Success fee percentages will be based upon project size and NDS's responsibilities. [date unknown, early]

D. First-year Management. NDS will, as part of its contracts with assisted organizations, provide the management for the new co-ops for their first year of operation. This can be done through subcontractors, through hiring an on-site manager, or through current staffing. [12/8/89]

V. Financial Policies

A. Loans

1. Presentation. All loan applications should be routed through the NASCO Office, where they are to be researched and fleshed out before presentation to the Loan Committee. The Loan Committee shall refer all approved projects to the Board for ratification.
2. Short-term Loans. Loan amounts and risk estimates will be included in project proposals. The Board will set the limit on project loans when the proposal is approved.

B. Expense Reports. Expense reports shall be prepared on a quarterly basis. [11/6/87]

C. Donations for Institute scholarships. To support the development of new organizers, it is the policy of the CCDC board make a minimum contribution to the Low Income Scholarship Fund of \$1,000 a year. In the event that the CCDC budget has a surplus at the end of the year, staff is directed to dedicate one half of that surplus to the Low Income Scholarship Fund, up to a maximum annual contribution of \$4,000. [2/26/03]

D. Dues Structure

Dues shall be invoiced at the beginning of the fall, with amounts to be paid based on the number of members housed in the member organization's previous fiscal year. [4-17-10]

Member dues will increase dues annually at the same rate as the CPI-W. The revised dues rate will be reflected on a member dues invoice.[1/24/01] (One Time Action: To increase NDS dues for 2003-04 to \$1.80 per member per month. To further raise NDS dues in 2005-06 to \$1.90 per member per month in 2006- 07 and \$2.00 in 2007-08. Dues increases would revert to an inflation indexed amount in 2006-07 and beyond.[2/26/03, 4/14/04.]

For the period from March, 2009 to the end of May, 2011, NDS may offer an introductory dues rate which will build up to full dues over four years, using the formula of 25% for the first year, 50% for the second year, 75% for the third year, and 100% for the fourth year. [3/2/10]

E. Financial Review and Tax Returns.

The corporate Treasurer or another designated board member shall conduct an internal audit of the books and procedures of NASCO Development Services on an annual basis, and the board shall hire an outside agent to develop a compilation. Tax returns shall be prepared by the NASCO staff as a part of their contract work. [4-17-10]

F. Reserves

NDS shall have a goal of 10% of its operating revenue, excluding estimated success fees, as a liquid reserve. Amounts above this level may be tapped for special projects as approved by the board. [4-17-10]

VI. Development Philosophy

A. NASCO Properties: NDS sees the development and retention of equity as the primary method of ensuring cooperative development at national levels. Ownership on the national level is

desirable as a development tool. [4/27/90]

B. Division of Corporation Responsibilities: The Goderich Accord, attached, details the division of development responsibilities between NDS, NASCO, and NASCO Properties, presenting NDS primarily as the funding source who contracts with NASCO for technical assistance. [12/8/89]

The Goderich Accord

During the July 15, 1989 NDS meeting, NDS Board members, NASCO Executive Committee members, and NASCO staff developed a basic agreement on the division of responsibilities between the various corporate entities. In a nutshell, people felt that NDS should serve as a funding agent, and that the NDS Board should decide who to approach for financing and purchasing assistance. During the April 27 meetings of NDS and NASCO, the two organizations voted on the following restatement of the Goderich Accord.

NDS Responsibilities

1. Allocate NDS's financial and organizational resources.
2. Determine priorities for development.
3. Develop promotional plans.
4. Evaluate/select projects.
5. Set guidelines for project operations.
6. Determine optimal financing sources for specific projects.
7. Recommend ownership/management structures for specific projects.
8. Develop financing sources and mechanisms.

NASCO Responsibilities

1. Implement policies of the NDS Board, through the NDS service contract.
2. Provide staffing.
3. Make recommendations to NDS Board.
4. Do all non-housing development activities.
5. Provide projects with training, management, financial, and other services.

NASCO Properties

1. Decide on its purchase of specific projects and properties.
2. Through NASCO, provide management and financial services.