

Cooperative: \_\_\_\_\_

Date: \_\_\_\_\_

**Board Monthly Task Checklist**

Listed below are critical business license, tax, and lender requirements for all cooperatives. Your property manager should complete many of these tasks, but the co-op board is ultimately responsible for ensuring they are done.

		TASK	STATUS	TIPS
		<b>EVERY MONTH</b>		
1	<input type="checkbox"/>	Board meets and reviews the monthly financial report		All board members should review the monthly financial reports and check for: 1) Vacancies and delinquencies (units should be filled within one-two months and delinquencies over 30 days may require legal action); 2) Large variances (differences) between the actual and budgeted monthly income and expenses (example: check for bookkeeping errors, high water bills due to water leaks, and unauthorized expenditures); 3) Decreases in checking and savings account balances (the bank statement and General Ledger report list all checks and transactions during the month); 4) Accounts Payable (unpaid bills) and review invoices to confirm late fees aren't being changed and to confirm all work was completed. Finally, send monthly e-mails to the property manager listing all new and outstanding questions about the reports. If the co-op has concerns about the financial reports, bring them to the attention of the co-op's asset manager or technical assistance provider
		<b>January</b>		
2	<input type="checkbox"/>	Co-op Holds <b>Annual Meeting</b> , Including Election of Directors and Officers		Check the co-op's bylaws to determine the month of the annual meeting - it may be January or another month. Follow the meeting and election procedures described in the co-op's bylaws.
3	<input type="checkbox"/>	Property Mgmt. Renews <b>Basic Business License</b> (Licenses are good for two years)		<b>Check status and expiration date of license at:</b> <a href="http://cpms.dca.dc.gov/BBLV/default.aspx">http://cpms.dca.dc.gov/BBLV/default.aspx</a> <b>Renew license at:</b> <a href="http://dca.dc.gov">http://dca.dc.gov</a> .
4	<input type="checkbox"/>	Co-op receives <b>IRS Form 1098 from lender</b> ; property manager or CPA prepares tax letters to individual co-op members		Tax form 1098 shows the amount of loan interest paid by the co-operative during the prior tax year. Confirm whether the co-op's CPA or property manager will prepare individual tax letters for each co-op member listing how much loan interest and property taxes co-op members can deduct from their individual income taxes.
		<b>February</b>		
5	<input type="checkbox"/>	Co-op Trains New Directors and Officers		The board should review this Checklist, and any new board members should receive training on the co-op's Bylaws, House Rules, and lender requirements, including income and resale restrictions, and the co-op's marketing plan.

	TASK	STATUS	TIPS
6	<input type="checkbox"/> OTR mails <b>Real Property Questionnaire</b> to co-op's registered agent (typically mgmt company or co-op board member).		Deadline to complete questionnaire is September 1st. See September tasks for info. on Real Property Co-operative Housing Questionnaire
7	<input type="checkbox"/> Property Mgmt. receives <b>First-Half Year Property Tax Bill from DC Office of Tax and Revenue (OTR)</b> (Note: Limited Equity co-operatives are exempt from property taxes during their first 5 years of operation)		Every year the City calculates the co-op's assessed value (estimated market value). LEC's must submit a Real Property Co-operative Housing Questionnaire (see September tasks) to OTR to receive a 35% lower valuation based on the co-op's annual non-subsidy revenue. Plus, if co-op members complete Homestead Deduction applications, the City reduces the assessed value by an additional \$71,700 per unit. Low Income Seniors or Disabled members may also apply for a 50% reduction of their share of the co-op's property taxes. If you have questions about your assessment, call the assessor at the OTR Customer Service Center (202) 727-4TAX. Appeals must be filed within 45 days of the assessment notice.
<b>March</b>			
8	<input type="checkbox"/> Co-op reviews <b>draft tax returns and audit/annual financial statements</b> prepared by accountant, OR CPA FILES A TAX EXTENSION UNTIL OCTOBER.		E-mail your questions to your accountant and schedule a call or meeting to get answers. If the co-op has an Asset Manager, they should review tax returns and financial statements.
9	<input type="checkbox"/> <b>DC OTR mails Senior Deduction applications</b> to the co-op's registered agent (property management or board member)		OTR mails a list of members previously approved for the Senior Deduction (Members only need to apply once). Members applying for the deduction for the first time must submit his/her application by June. If the co-op does not receive applications from OTR, confirm OTR has correct registered agent on file. If you have questions, contact <a href="mailto:homestead@dc.gov">homestead@dc.gov</a> or call (202) 727-4TAX.
10	<input type="checkbox"/> By 3/31 Property Mgmt. pays First-Half Year <b>Property Tax Bill</b> to DC OTR		The first-half bill covers the period October 1st - March 31st. Check whether your co-op has paid all of its property tax bills at <a href="http://otr.cfo.dc.gov/page/real-property-tax-database-search">http://otr.cfo.dc.gov/page/real-property-tax-database-search</a>
<b>April</b>			
11	<input type="checkbox"/> <b>OPTIONAL: By 4/1, co-op appeals property tax assessment</b>		See February tip. Appeal must be filed within 45 days of Assessment Notice.
12	<input type="checkbox"/> <b>By 4/15, submit Income and Expense Report</b> to DC OTR for prior calendar year		According to Robert Worthington at OTR, OTR does not require Cooperatives to file this report - this report is only required for apartment buildings because OTR using a different method to calculate the property value of cooperatives (see September tasks for more info on the Real Property Co-operative Housing Questionnaire).

	TASK	STATUS	TIPS
13	<input type="checkbox"/> By 4/15 Property Manager or Accountant files <b>Federal Income Tax Return (Form 1120C) and DC Income Tax Return (Form D-20)</b> OR file and extension until October 15		Co-op's are taxable non-profit corporations and must file income tax returns; however, co-ops typically do not have taxable income.
14	<input type="checkbox"/> By 4/1 Property Mgmt. files Two-Year <b>Corporation Report</b> to DCRA (Form BRA-25)		\$80 fee to file report on line at DCRA's Corporations Division CorpOnline Web Portal website. The 1st biennial report is due by April 1 of the year following the calendar year the co-op was formed. Subsequent biennial reports are due by April 1st of each 2nd calendar year thereafter. Also, check whether co-op Registration is "Active" or "Revoked" by selecting "Business Filings Search" and then searching by entity name.
15	<input type="checkbox"/> For building over 50,000 sq.ft. Property Mgmt. submits <b>Energy Benchmarking</b> data to the District Dept. of Energy and the Environment		This became a requirement on April 1, 2014. The co-op is required to submit information on utility usage to DC government. For more information go to <a href="http://green.dc.gov/energybenchmarking">http://green.dc.gov/energybenchmarking</a> .
16	<input type="checkbox"/> OPTIONAL: Confirm co-op is: 1) in <b>Good Standing</b> with DC DCRA and 2) in Good Standing with DC OTR.		1) For a \$40 fee, order a copy of the co-op's Certificate of Good Standing at DCRA's Corporations Division CorpOnline Web Portal. Corp. Div. # 202-442-4432. 2) Also, Certificate of Clean Hands available at OTR's website at <a href="http://otr.cfo.dc.gov/">http://otr.cfo.dc.gov/</a>
	<b>May</b>		
17	<input type="checkbox"/> If the co-op has a DHCD loan, Property Mgmt. submits <b>DHCD compliance documents</b> by May deadline		Between January and April, DHCD sends compliance letters to the property manager requesting copies of insurance certificates, tax returns, financial statements, Basic Business License (BBL), and evidence of payment of property taxes.
	<b>June</b>		
18	<input type="checkbox"/> Co-op board provides all co-op members with <b>copies of the annual audit/financial statement</b>		co-op should provide members copy of CPA prepared financial report as soon as it is completed and, generally, no later than June.
19	<input type="checkbox"/> Co-op members applying for the <b>OTR Senior Deduction</b> for the first time must submit their applications through the registered agent by June.		Members only need to apply for the Senior Deduction one time (not every year). Any member applying for the deduction for the first time must submit his/her application through the registered agent by June.
20	<input type="checkbox"/> RECOMMENDED: ask Property Mgmt. to conduct <b>Annual Inspection</b> of All Units		Property manager should check for unsafe housing conditions and for leaking faucets or toilets. If the property has Section 8 units, annual or bi-annual Housing Quality Standard (HQS) or REAC inspections are required - DCHA or HUD will decide on the inspection date; Annual fire sprinkler or fire extinguisher inspections may also be required.

	TASK	STATUS	TIPS
<b>July</b>			
21	<input type="checkbox"/> RECOMMENDED: co-op conducts Annual <b>Property Mgmt. Evaluation</b>		Survey co-op members to get their feedback on property Mgmt. and report any concerns to property Mgmt. Give property mgmt. deadlines to address any concerns.
<b>August</b>			
22	<input type="checkbox"/> Property Mgmt. receives Second-Half Year <b>Property Tax Bill</b> from DC OTR.		See February tip for information on how City assesses property.
<b>September</b>			
23	<input type="checkbox"/> By 9/1 Property Mgmt. submits (or co-op, confirm who will complete) " <b>Real Property Cooperative Housing Questionnaire</b> " to DC OTR		Failure to submit the completed report by September 1st may result in a tax penalty of 10%. If you have questions, contact Robert Worthington, Senior Appraiser, at(202) 442-6775.
24	<input type="checkbox"/> By 9/15 Property Mgmt. pays Second-Half Year <b>Property Tax Bill</b>		See February property tax tips. The second-half bill covers period April 1st - September 30th.
25	<input type="checkbox"/> Co-op asks Property Mgmt. for a <b>Winter Readiness Plan</b>		Plan should: 1) confirm date apartment heating will be turned on (DC Code requires heat October 15th through May 15th), 2) confirm date for testing of common area heating, 3) If co-op has a radiators, date radiators will be bled, 4) Confirm date missing weatherproofing will be installed, 5) confirm plans for snow removal and salting, 6) emergency contact information.
<b>October</b>			
26	<input type="checkbox"/> If co-op's CPA filed a <b>tax extension</b> in April, Federal and DC income tax returns typically are due by October 15th.		
27	<input type="checkbox"/> <b>DC OTR sends Homestead Deduction Reconfirmation</b> forms to co-op's registered agent (property management or board member)		OTR sends a reconfirmation package listing members previously approved for the deduction and provides a form for new members to apply to receive the Homestead Deduction. The co-op's registered agent (typically the property manager) must sign and return the reconfirmation package, along with any new member applications, to OTR by the deadline, typically in December. If the co-op does not receive the annual reconfirmation package during October, call the OTR Homestead Deduction Division at (202) 727-4TAX or send an e-mail to <a href="mailto:homestead@dc.gov">homestead@dc.gov</a>
<b>November</b>			
28	<input type="checkbox"/> Co-op reviews and <b>approves Annual Operating Budget</b> for the coming year		The property manager should prepare the annual budget based on the past year's actual income and expenses plus expected changes (i.e. changes to carrying charges, utility costs, vacancies). Confirm property management is paying all bills and there are no liens on the property (check for liens at <a href="https://gov.propertyinfo.com/dc-washington/">https://gov.propertyinfo.com/dc-washington/</a> ).

		TASK	STATUS	TIPS
29	<input type="checkbox"/>	Co-op reviews <b>Service Contracts</b> (Mgmt, Laundry, Cleaning, Landscaping, Insurance, etc.)		As the co-op reviews the next year's budget (see above task), make sure co-op does not overpay for services and contracts.
		<b>December</b>		
30	<input type="checkbox"/>	<b>Hire (engage) Certified Public Accountant (CPA)</b> to prepare tax returns and audit/annual financial statement		Check loan documents for what type of financial review the lender requires. Ask the accountant to give prices to prepare different types of financial statements: , 1) Compiled (lowest cost), 2) Reviewed (middle cost), 3) Audited (highest cost).
31	<input type="checkbox"/>	Co-op schedules <b>Annual Membership Meeting</b> for January		Check bylaws to confirm date of Annual Membership Meeting. See January tip on annual meeting
32	<input type="checkbox"/>	Co-op reviews management agreement		Board should determine if management is completing all services outlined in the management agreement and whether all necessary management functions are being completed. If management is not completing all necessary services, the board may need to renegotiate the management agreement and make sure all necessary services are covered by either the Board or management.
33	<input type="checkbox"/>	Co-op submit annual <b>Homestead Deduction reconfirmation package</b> to DC OTR.		The co-op's property manager typically signs and submits the reconfirmation package to DC OTR. See October tip on the Homestead Deduction for more information.