***Sample Resolution***

Decision-making in co-operative businesses is regulated by provincial and federal governments. Certain decisions a co-operative and its directors may make have special requirements set out in legislation. For instance, voting to accept a report will follow a different procedure than voting to amend the bylaws. The decision-making processes co-operatives use is influenced by Robert’s Rules of Order which reflects procedure used by most Canadian governments and corporations.

A co-operative will accept or reject a decision by voting on a resolution. A resolution is a formal decision, action, or policy that is, usually, proposed by the board and decided at a board or members’ meeting. Resolutions are voted upon and need a majority to be accepted and implemented. There are two types of resolutions:

* **Ordinary resolutions** (sometimes called general resolutions) only require a simple majority of votes to be accepted (50% + 1) and are used to decide ‘ordinary’ business at a meeting. Ordinary business may include accepting reports or minutes, approving expenditures not included in a budget, or making appointments.
* **Special resolutions** require a super majority (2/3 of votes) to be accepted and are used to decide ‘special’ business at a meeting. Special business includes anything that would not normally be included at a meeting and may include items like amalgamating with another organization, dismissing a director, amending bylaws, or dissolving the co-op. Special business that is to be included at a meeting must be included in the notice of the meeting.

Provincial legislation governs the type of resolution required for various decisions. Check the Act or Regulations for clarification on the necessary procedure for different decisions or actions.

It is good practice to be formal when writing resolutions and maintaining a consistent style; this will provide a standardized template for future resolutions. Consider using the format below that relies on 4 commonly used elements:

* **Title**: The title of a resolution should give a general sense of its purpose/intention and speak to its practical implications. For example a resolution that wants to change a bylaw that determines quorum may simply state: *Resolution amending section 18 (Quorum) of the Bylaws*.
* **Preamble**: Resolutions usually rely on preparatory statements that demonstrate the need for the resolution, often beginning with the word ‘whereas’. For example, a resolution seeking to change the number of members required for quorum might state: *Whereas the co-operative wants to ensure quorum is achieved at members’ meetings*.
* **Resolution**: After the preamble comes the actual decision that is being proposed. This typically begins with the statement, *Therefore be it resolved that…* and is followed by the decision or statement.
* **Date and Signature**: The resolution should contain space for the president (or chair of the meeting) to sign and date the resolution indicating its acceptance. If the resolution is defeated, it should not be signed, and its defeat should be recorded in the minutes.

**Example Co-operative Ltd**

**“the Co-operative”**

**Resolution amending Bylaw 18(a), Quorum**

Whereas the Co-operative has experienced a considerable growth in membership;

Whereas the Co-operative wants to ensure quorum is achieved at member meetings;

Therefore be it resolved that:

Bylaw 18(a) be amended to state:

“Quorum at all duly called members meetings shall be the lesser of 30 or 10% of the members of the co-operative.”

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

President

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date

If you need more information about decision-making in a co-operative or help drafting resolutions, please contact us to find out how we can help.