

Plainfield Co-op

Policy Register

August 2018

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PART A. ENDS

Last Revised: May 2014

The Plainfield Co-op will:

1. Distribute healthy, affordable food and other goods.

Management Interpretation:

The Plainfield Co-op will provide our community with a storefront which provides affordable access to full-line grocery options, prioritizing foods generally deemed to be healthy, as well as other goods.

Operational Definition:

The Co-op will operate a storefront which provides affordable access to full-line grocery options, including fresh and frozen vegetables, meats, cheeses and other dairy products, eggs, vegetarian items, whole grains and other whole foods which are generally deemed to be healthy, as well as packaged or processed foods and other goods. The Co-op will prioritize, where available and affordable, organic or non-gmo foods with fewer additives, artificial or otherwise, as well as focus highly on whole foods with minimal processing. When offering conventional options, management will prefer, where available and with affordability in mind, the most natural options (i.e. no high fructose corn syrup, growth hormones, GMO free). Community members may prepare their own healthful foods with our provisions as best meets their dietary needs and personal definition of healthy and affordable. The Co-op defines "Other goods" as foods not typically deemed healthy, such as beer and wine, household and personal care items, as a means of providing our community with the materials items they deem essential, though we will focus items which are generally understood to be healthier for people and the environment while also factoring in affordability for the community.

2. Actively seek local producers and growers, and support the local and regional economy

Management Interpretation:

Our relationships with local and regional growers, producers, vendors, and distributors of food and other goods are top priority. We will seek out new local/regional products and evaluate opportunities to help these businesses support our Ends. We will encourage the production of local/regional products through our associations.

Operational Definition:

We define *local* as any product grown or produced within 100 miles of the Co-op, while regional extends to 250 miles from the co-op. We prioritize East Coast over West Coast when purchasing produce. We make efforts to maintain at least 30% of gross sales in combined local and regional products. We make every attempt to obtain the most local product available. We routinely try local/regional products that fit our product line when they are marketed or suggested to us; buyers consistently search them out. We often offer local products even if they cost more, so long as the cost is not prohibitive.

3. Sustain the environment through its operations and the products it offers.

Management Interpretation

We aim to practice sustainability by providing food and sundries to customers in a manner that is responsible to the environment and the people involved (farmers, producers, shoppers, staff, vendors, et al). Environmental sustainability is a condition of balance, resilience, and interconnectedness that allows human society to satisfy its needs while neither exceeding the capacity of its supporting ecosystems to continue to regenerate the services necessary to meet those needs nor by our actions diminishing biological diversity.

Operational Definition

The Co-op is committed to continually lowering our environmental impact and conserving natural resources through our operations by maintaining high standards for product purchase, education to members and consumers, and environmental impact consciousness for store operations

4. Increase awareness of Co-operative principles and of other Co-operative businesses.

Management Interpretation

The Co-op will promote and demonstrate the ICA's Seven Co-operative Principles. The Co-op will demonstrate commitment to seeking out and working with other Co-operatives in business, social and professional relationships, in accordance with Co-operative Principle #6, which reads: "Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional and international structures."

Operational Definition:

The Co-op will give priority in consideration to Co-operative enterprise, as applies to our dealing with various businesses and organizations. When possible, we will publicly demonstrate this priority.

5. Foster awareness about the quality and source of our food.

Management Interpretation:

The Co-op will provide product information about foods we sell. The Co-op will also provide information about food products and food systems through various media to support the community in making informed decisions. A food system is the path that food travels from field to fork. It includes the growing, harvesting, processing, marketing, consuming and disposal of food. It also includes the inputs needed and outputs generated at each step.

Operational Definition:

The Co-op will make use of multiple media systems to keep members and customers regularly informed about our products, and when possible, our vendors, and local, regional, national, and international food systems. The Co-op will also utilize in-store signage.

6. Build connections that are essential for a vibrant community.

Management Interpretation

“Connections” are lasting and desirable relationships which strengthen their participants. “Community” means the whole of the people and entities within which the Co-op finds the aforementioned “connections.” We will encourage the development of local institutions through our associations.

Operational Definition

The Co-op will maintain positive and open communications with:

- Plainfield/Marshfield area municipal and business entities
- our members, customers, staff, and neighbors.

We include local businesses (as defined in End #2) and our patronage of them in these interpretations and definitions.

PART B. DEFINITIONS

Last Revised: August 2018

1 Owners. The Plainfield Co-op is owned by the members.

2 Members (also referred to as “Member/Owners). The members of the Plainfield Co-op are individuals or other cooperatives who have met the requirements for membership. The requirements for membership are defined in the By-laws. The By-laws have been adopted by the members and can only be changed at a public meeting of the membership. Part D contains policies interpreting or applying the By-law requirements for membership to particular situations.

3 Board of Directors. The Board of Directors has general responsibility for governing the business and affairs of the Plainfield Co-op to achieve the Ends. The By-laws describe how the directors are selected, their terms of office, and their general responsibilities. Part C of these policies defines how the Board functions in more detail than the By-laws. In case of a conflict between these policies and the By-laws, the By-laws are the controlling authority.

4 General Manager. The General Manager is employed by the Board of Directors. The General Manager manages the operations of Plainfield Co-op and is empowered to use any reasonable means to achieve the Ends, subject to the Limitations described in Part F of these policies. Part E of these policies describes the Board-Management Relationship. Unless otherwise specified, any reference in these policies to “the General Manager” includes the Administrative Manager, the management team, staff or consultants to whom the General Manager has delegated responsibility or authority.

PART C. BOARD PROCESS

Acting on behalf of our members, the Board ensures that our Co-operative produces benefit and value as described in the Ends while avoiding unacceptable actions and situations.

Policy Type: Board Process
Policy Title: C1 – Governing Style
Last Revised: August 2018

We will govern in a way that emphasizes empowerment and clear accountability. To do this, we will:

- 1) Focus our vision outward and toward the future
- 2) Observe the Co-operative Principles
- 3) Maintain group discipline, authority and responsibility
- 4) Clearly distinguish Board and management roles
- 5) Encourage diverse viewpoints
- 6) Obey all relevant laws and bylaws.

Policy Type: Board Process
Policy Title: C2 – The Board’s Job
Last Revised: August 2018

To govern successfully, we will:

1. Create and sustain a meaningful relationship with member-owners.
2. Delegate responsibility to and hold accountable a General Manager. Although normally the General Manager has authority for hiring, the Board may hire or fire staff members if it sees the need or if called upon by the General Manager. It is a power in reserve that may be called upon when other means have broken down.
3. Have expectations in the form of written governing policies that realistically address the broadest levels of all organizational decisions and situations. We will write these policies in the form of Ends, Executive Limitations, Board Process, Member Policies and Board-Management Relationships, as described in the Policy Governance principles.
4. Assign responsibility in a way that honors our commitment to empowerment and clear distinction of roles.
5. Regularly monitor operational performance in the areas of Ends and Executive Limitations, and Board performance in the areas of Board Process and Board-Management Relationship.
6. Perpetuate the Board’s leadership capacity using ongoing education, training and recruitment.
7. Regularly solicit feedback from members and staff on the Board’s effectiveness.

Policy Type: Board Process
Policy Title: C3 – Agenda Planning
Last Revised: August 2018

We will follow an annual agenda that focuses our attention upward and outward.

1. Our annual governance cycle will run from July 1 to June 30.
2. We will create, and modify as necessary, an annual calendar that includes the items mentioned in this policy, membership meetings, Board training schedule, monitoring schedule, and the General Manager evaluation as outlined in our Board-Management Relationship policies.
3. Throughout the year, we will attend to consent agenda items as expeditiously as possible.
4. We will limit the amount of meeting time taken up by monitoring reports, discouraging discussion unless the reports indicate policy violations, or the policy criteria themselves need review.

Policy Type: Board Process
Policy Title: C4 – Board Meetings
Last Revised: March 2009

Board meetings are for the task of getting the Board’s job done.

- 1) We will use Board meeting time only for work that is the whole Board's responsibility. We will avoid committee issues, operational matters and personal concerns.
- 2) Meetings will be open to the membership except when executive session is officially called. We may occasionally use executive session to deal with confidential matters, such as personnel matters, litigation and real estate issues, as long as the purpose of the session is stated. When possible, announcement of the executive session should be on the published agenda.
- 3) We will use a consensus process.
- 4) The meeting agenda will be determined by the Board President and may be modified at the meeting by a decision of the Board.

Policy Type: Board Process
Policy Title: C5 – Directors’ Code of Conduct
Last Revised: June 2014

We each commit ourselves to ethical, businesslike and lawful conduct.

- 1) Every director is responsible at all times for acting in good faith, in a manner which she/he reasonably believes to be in the best interests of the Co-op, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
- 2) Directors must demonstrate unconflicted loyalty to the interests of the Co-op’s owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other boards or staffs, and the personal interest of any director acting as an individual consumer or member.
 - a) There will be no self-dealing or any conduct of private business or personal services between any director and the Co-op except as procedurally controlled to assure openness, competitive opportunity and equal access to “inside” information.
 - b) When the Board is to decide on an issue about which a director has an unavoidable conflict of interest, that director shall abstain from the conversation and the decision.
 - c) A director who applies for employment must first resign from the Board.
 - d) Directors may not attempt to exercise individual authority over the organization.
 - e) When interacting with staff, directors must carefully and openly recognize their lack of authority.
 - f) When interacting with the public, the press, or other entities, directors must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.
- 3) Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
- 4) Directors will prepare for and attend Board meetings and trainings.
- 5) Directors will support the legitimacy and authority of the Board’s decision on any matter, irrespective of the director’s personal position on the issue.

Policy Type: Board Process
Policy Title: C6 – Officers’ Roles
Last Revised: August 2018

We will elect officers to help us accomplish our job. Officers may delegate their authority but remain accountable for its use.

- 1) The President shall see that all orders and resolutions of the Board are carried into effect and shall preside at all meetings of the members and directors. The President ensures the Board acts consistently with Board policies. The President shall be the official representative of the Co-op to all outside associations or organizations of which the Co-op is a member unless another person is appointed by the President or other action is taken by the Board of Directors. The President has no authority to bind this Co-operative without the express authority of the Board or the general membership. The President and the Treasurer must co-sign all promissory notes. (By-laws, Section 5.02) The President is authorized to use any reasonable interpretation of the provisions in the Board Process and Board-Management Relationship policies. The President will set and finalize the agenda for Board meetings and pass it to the General Manager who will post it on the bulletin Board and the Co-op Website at least one week before the meeting. The President will also email the agenda to the Board. one week before the meeting. The President plans for leadership (officer) perpetuation.
- 2) The Vice-President will perform the duties of the President in case of the President’s incapacity or absence.
- 3) The Treasurer will perform the following duties:
 - a) Lead the Board’s process for creating and monitoring the Board’s budget.
 - b) Prepare the financial overview report for the annual membership meeting.
 - c) Provide technical assistance to the General Manager, upon request.
 - d) Provide financial expertise and advice to the Board in carrying out their financial oversight responsibilities.
 - e) Together with the President, cosign all promissory notes. (By-laws Section 5.05)
- 4) The Secretary will record all votes and keep minutes of all membership meetings and Board meetings and will ensure that the minutes are available to the membership in an official location of the Co-op. The Secretary will make sure the Board’s documents are accurate, up to date, and appropriately maintained. The Secretary is responsible for giving proper notice of meetings of the members. (By-laws Section 5.04).

Policy Type: Board Process
Policy Title: C7 – Board Committee Principles
Last Revised: August 2018

We will use Board committees to help us accomplish our job.

- 1) Committees will reinforce and support the wholeness of the Board. In particular, committees help the whole Board move forward when they research alternatives and bring back options and information.
- 2) Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.
- 3) The Board will establish, regularly review and control committee responsibilities in written committee charters. We will carefully state committee expectations and authority to make sure they do not conflict with authority delegated to the General Manager.
- 4) Board committees will often include members and/or staff.

Policy Type: Board Process
Policy Title: C8 – Governance Investment
Last Revised: January 2017

We will invest in the Board’s governance capacity.

- 1) We will make sure that the Board’s skills, methods and supports are sufficient to allow us to govern with excellence.
- 2) We will incur governance costs prudently, though not at the expense of endangering the development and maintenance of quality governance capability.
 - a) We will use training and retraining liberally to orient new directors and Board candidates for membership, as well as to maintain and increase existing directors’ skills and understandings.
 - b) We will arrange outside monitoring assistance as necessary so that the Board can exercise confident control over organizational performance.
 - c) We will use outreach mechanisms as needed to ensure our ability to listen to owner viewpoints and values.
 - d) We will use professional and administrative support.
- 3) We will develop the Board’s annual budget in a timely way so as to not interfere with the development of the Co-op’s annual budget. In no case will we complete this work later than the November Board meeting.

Policy Type: Board Process
Policy Title: C9 - Endorsements
Last Revised: March 2016

The Board may choose to lend its endorsement to issues deemed relevant to and in accordance with the Co--op's Ends Policies, and Co-operative Principles.

- 1) Endorsement by the Board should always read "Endorsed by the Board of Directors, Plainfield Food Co--op".
- 2) Endorsement requests may be brought to the Board by any member/owner or staff. These requests should be accompanied by written material providing relevant background and justification for an endorsement. Advocates for the proposed endorsement may be invited by the Board to make a presentation at their regularly scheduled meeting. Such presentations will be on the agenda, duly warned.
- 3) Whether the Board decides to endorse or not to endorse, a written explanation of its rationale shall be entered into the minutes of the meeting at which that decision was made.
- 4) Endorsement by the Board may include any or all the following:
 - a) Lending the Board's name to publicity concerning the issue;
 - b) Member/owner forums or lectures on the issue;
 - c) Informational pamphlets available in the store;
 - d) Tabling priority;
 - e) Signs in the store;
 - f) Newsletter articles;
 - g) Testimony before legislative bodies and/or boards of authority.
- 5) Endorsement of an issue must be by consensus with no more than one Board member standing aside. This does not include Board members who stand aside because of a conflict of interest.
- 6) The Board will not endorse any issue that is not in accordance with the Co-op's Ends and Policies and the Co-operative Principles. The Board may choose not to endorse an issue that is poorly articulated or deemed to be of questionable ethics. The Board may also choose not to endorse any issue which the Board believes lacks the support of a majority of the members.
- 7) The Board of Directors does not support or endorse individual candidates for political office.

PART D MEMBERSHIP POLICIES

Policy Type: Membership Policies

Policy Title: D1 Membership, General

Last revised: August 2018

1. Every person who wishes to become a member of the Co-op must complete a membership form and purchase a member equity share. If there is more than one adult in a household, each adult must purchase a member equity share to become a member. A youth under age 18 may become a member by paying the membership fee. (By-laws 2.01, 2.03)
2. Members and only members are entitled to:
 - a. Vote and hold office
 - b. Enjoy discounted use of the Community Center
 - c. Place bulk and special orders
 - d. Earn a working member discount
 - e. Receive a patronage dividend in years when the Board distributes a patronage dividend.
3. Purchases by a child under 18 who is a member of the household of a member in good standing shall be included in calculating the member's annual patronage dividend, if any.
4. From time to time, the Co-op may offer discounted prices by means of member specials or special discount days for members. These discounts will be offered only to members in good standing and children under 18 who are members of the household of a member in good standing.

Policy Type: Membership Policies

Policy Title: D2 Life Members

Last revised: August 2018

1. For a period of time in the past, the Co-op issued Life membership cards. Individuals who present a card showing that they are Life members of the Co-op will be offered the option of purchasing a member share like all other members. If the Life member chooses to make an equity payment, the Life Member will receive a patronage refund like all other paid-up members.
2. If the Life Member chooses not to purchase a member share, the Life Member will not get a patronage refund at the end of the year. Since the Co-op is no longer providing register discounts based upon membership, the Life Member will no longer get a register discount (unless he or she is a working member). The Life Member will continue to have the following benefits of membership:
 - a. To vote at meetings
 - b. To serve as a Board member or on a committee
 - c. To place bulk orders
 - d. To earn a register discount by being a working member

Policy Type: Membership Policies
Policy Type: D3 Working Member Discounts
Last Revised: August 2018

1. A member may qualify for a Working Member discount by
 - a. Working a regular one-hour or two-hour per week shift
 - b. Serving on the Board
 - c. Doing other volunteer work or significant committee work that has been approved by the General Manager as qualifying for the Working Member discount.
2. The General Manager shall designate the amount and the duration of the discount for each working member. At present, the working member discount for 1 hour of work per week is 3%; the discount for 2 hours of work per week is 7%; and the discount for Board and committee members is 7%. However, the General Manager may increase the discount rate to attract additional volunteer workers, or decrease the discount rate if fewer working members are needed.
3. Within the financial constraints of the Co-op, the General Manager shall offer short- or long-term working member discounts to involve additional members in accomplishing needed projects for the Co-op.
4. A working member may designate one (and only one) other member of the household who is a member of the Co-op to receive the working member discount he or she has earned. The working member discount will be recorded in the POS system under the membership number of the working member and also the working member's designated household member. No working member discount can be provided to a household member who is not a member of the Co-op.

Policy Type: Membership Policies

Policy Title: D4 Member Shares

Last revised: August 2018

1. The Board will determine the price of member shares (Bylaws, Section 2.05).
2. The Board will also determine the minimum amount a member must pay annually until the member has purchased a full share. This amount will not exceed the Co-op's membership dues in 2012 (\$20.00) adjusted for inflation. (By-laws, Section 2.05).
3. The General Manager will establish and maintain a system for recording all membership shares purchased in full or in part. (By-laws, Section 2.05).
4. The General Manager will deposit all payments for member shares into a capital expenditures fund managed by the Board. Expenditures from the fund will be in accordance with the Co-op's long-range capital budget, which is written in consultation with the Building Committee and approved by the Board. Capital expenditures are expenditures that add to the value of the business by improving or protecting the building and grounds, or by purchasing or upgrading equipment that is expected to last for five years or longer. Capital expenditures may include payments to professionals for services related to adding value to the business. Repairs and routine maintenance of buildings or equipment are not capital expenses.
5. Annually, the Board of Directors, after reserving funds necessary to preserve or enhance the financial soundness of the Co-op and to pay taxes due, shall distribute the net earnings as a patronage dividend. Each member's patronage dividend is calculated based upon the total amount of the members' purchases for the year. (By-laws, Section 7.03).
6. Patronage dividends of \$10.00 or less will be distributed in the form of a register credit.
7. Patronage dividends of more than \$10.00 will be distributed by check. The Treasurer will notify all members who receive a patronage dividend of the amount of the dividend, how the amount was determined, and whether the dividend is a register credit or check. Notification may be either by postal mail or email. (By-laws Section 7.03)

Policy Type: Membership Policies
Policy Title: D5 Membership Refund if Member Dies or Ceases Membership
Last Revised: August 2018

1. If a member ceases to be a member on account of moving away or for other reason, the member may request in writing a refund of equity payments made. The Board shall redeem the equity payments if it determines that the equity is not necessary to the fiscal integrity of the co-op. (By-laws, Section 2.07)
2. If a member dies, a representative of the member may request a return of equity payment to the estate or may request that the equity payments remain with the Co-op as permanent unallocated capital. If no representative of the deceased member makes a request for return of equity within three years of the member's death, the amount in the member's account will revert to the Co-op as permanent non-allocated capital.
3. Annually, the Board will review all pending requests for redemption of equity shares and take action on the requests. If the Board decides that the fiscal integrity of the co-op is such that some, but not all redemptions can be made, it will make refunds on a first-come, first-serve basis, and will carry over all other requests to the following year. The General Manager will notify all persons with pending requests of the action taken.

Policy Type: Membership Policies
Policy Title: D6 Cooperative Membership in the Co-op
Last Revised: December 2016 (This policy interprets Section 2.01 (B) of the By-laws)

1. Any cooperative may be a member of the Plainfield Co-op by paying the membership fee and complying with the other requirements for membership.
2. A cooperative that becomes a member shall designate a single individual for receiving notices and information and for exercising the cooperative's vote.
3. A cooperative that becomes a member shall have a single vote at any meeting of the organization, to be exercised by the designated individual.
4. Becoming a member does not entitle a cooperative to any special benefits, other than the privilege of voting.

Policy Type: Membership Policies

Policy Title: D7 Reciprocity of patronage dividends with neighboring food cooperatives

Last Revised: August 2018

1. The General Manager may establish a reciprocal agreement for paying patronage dividends to neighboring food cooperatives when members of those cooperatives shop at Plainfield Co-op.

2. To be eligible for a reciprocal patronage dividend, the cooperative must become a member of Plainfield Co-op, as outlined in Policy D6.

3. The neighboring cooperative must have a system (such as colored membership cards) for a shopper to show that he or she is an up-to-date member of the neighboring cooperative.

4. The details of the reciprocal agreement with each neighboring cooperative shall be worked out by the General Manager.

5. The General Manager shall decide what neighboring cooperatives to have a reciprocal relationship with.

Policy Type: Membership Policies

Policy Title: D8 Member notification of rights (formerly B4 - Membership Rights and Responsibilities)

Last Revised: August 2018

The General Manager will not fail to inform and will not misinform members of their rights and responsibilities.

PART E. BOARD-MANAGEMENT RELATIONSHIP

The Board's official connection to the operations of the Co-op will be through the General Manager.

Policy Type: Board-Management Relationship
Policy Title: E1 – Board Decisions
Last Revised: August 2018

Only official actions of the Board are binding on the General Manager

1. Decisions or instructions of individual directors, officers, or committees are not binding on the General Manager except in rare instances when the Board has specifically authorized this power.
2. In the case of directors or committees requesting information or assistance without Board authorization, the General Manager can refuse any requests that, in the General Manager's opinion, may disrupt operations or that require too much staff time or resources.

Policy Type: Board-Management Relationship
Policy Title: E2 Board-Management Connection
Last Revised: August 2018

Senior managers are the Board's link to operational achievement and conduct. The Senior Managers are the Administrative Manager and the General Manager.

The Board will not instruct any employee other than the Senior Managers, and will not evaluate any employee other than the General Manager.

Policy Type: Board-Management Relationship
Policy Title: E3 - Delegation to the General Manager
Last Revised: August 2018

1. The Board delegates authority to the General Manager through written Ends, Membership Policies, Personnel Policies, a Job Description and Executive Limitations policies.
2. As long as the General Manager uses any reasonable interpretation of the Board's Ends, Membership Policies, Personnel Policies, Job Description, and Executive Limitations policies, the General Manager is authorized to establish all further policies, practices and plans for the Co-operative.
3. The Board will respect and support the General Manager's choices as long as those choices are based on reasonable interpretations of Board policies and the By-laws.

Policy Type: Board-Management Relationship
Policy Title: E4 – Monitoring General Manager Performance
Last Revised: August 2018

Monitoring of General Manager job performance will be based upon organizational accomplishment of Board policies on ends and organizational operation within the boundaries established in Personnel Policies, Job Description, and Board Policies.

Monitoring is how the Board determines the degree to which the General Manager is following Board policies. Information that does not directly relate to Ends, Board-Management policies, Membership policies, Personnel policies, Job Description, or Executive Limitations policies is not monitoring information.

1. The Board will view General Manager performance as identical to organizational performance so that the Co-op's accomplishment of Board-stated ends and avoidance of Board-proscribed means will be viewed as successful performance.
2. The Board will acquire monitoring information by one or more of three methods: (a) by internal report, in which the General Manager discloses interpretations and compliance information to the Board; (b) by external report, in which an external, disinterested third party selected by the Board assesses compliance; or (c) by direct Board inspection, in which a designated director or committee assesses compliance.
3. In every case, the standard for compliance will be any reasonable General Manager interpretation (as described by operational definitions and metrics) of the Board policy being monitored. The Board is the final arbiter of reasonableness but will always judge with a "reasonable person" test rather than with interpretations favored by individual directors or by the Board as a whole.
4. The General Manager is compliant with a policy if a reasonable interpretation and adequate data that demonstrate accomplishment of that interpretation is presented.
5. The Board will monitor all policies that instruct the General Manager. The Board may monitor any policy at any time by any method but will ordinarily follow the schedule outlined in the Board Annual Calendar.

The Board's annual evaluation of the General Manager, will be completed by December 31 and will include a review of the General Manager's compensation. In addition, the Board may partner with the General Manager to conduct a 360-degree evaluation of the General Manager or seek input in other ways into the effectiveness Co-op's management and operations.

Policy Type: Board-Management Relationship
Policy Title: E5 – Communication and Support to the Board (formerly B7 and B8)
Last Revised: August 2018

1. The General Manager shall not cause or allow the Board to be uninformed or unsupported in its work. The General Manager will not:
 - a. Submit monitoring data that is untimely, inaccurate, or hard to understand.
 - b. Report any actual or anticipated noncompliance with any policy of the Board in an untimely manner.
 - c. Fail to develop and provide to the Board timely corrective action plans in case of non-compliance.
 - d. Allow the Board to be unaware of relevant trends, public events of the Co-operative, or internal and external changes which affect the assumptions upon which Board policy has previously been submitted.
 - e. Fail to advise the Board if any member of the Management Team believes the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the staff.
 - f. Deal with the Board in a way that favors or privileges certain Board members over others except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the Board.
 - g. Fail to supply for the Board’s consent agenda all decisions delegated to the General Manager yet required by law, regulation, or contract to be Board-approved.
2. The General Manager will not allow the Board to have inadequate logistical support and will not
 - a. Provide the Board with insufficient staff administration to support governance activities and Board communication
 - b. Allow the Board to be without a workable mechanism for official Board, officer, or committee communication or allow Board members to be without an updated copy of the Policy Register and By-laws.
 - c. Provide inadequate information and notice to members concerning Board actions, meetings, activities and events.

PART F. EXECUTIVE LIMITATIONS

Policy Title: Global Executive Constraint

Last Revised: August 2018

The General Manager shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices, in violation of the Co-operative Principles, or in violation of this Co-operative's By-laws.

Policy Type: Executive Limitations
Policy Title: F1 – Financial Condition and Activities
Last Revised: August 2018

With respect to the actual, ongoing financial conditions and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies. Further, without limiting the scope of the previous statement, the General Manager will not:

A. (To be monitored Quarterly)

1. Allow sales to decline or be stagnant.
2. Allow operations to generate an inadequate net income.
3. Allow liquidity, or the ability to meet cash needs in a timely and efficient fashion, to be insufficient.
4. Allow solvency, or the relationship of debt to member/owners' equity, to be insufficient.
5. Allow late payment of contracts, payroll, loans or other financial obligations.

B. (To be monitored annually, but the General Manager will notify the board promptly of any noncompliance)

6. Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.
7. Acquire, encumber or dispose of real estate.
8. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
9. Use restricted funds, including the capital expenditures fund described in Policy D4(4), for any purpose other than that required by the restriction.
10. Allow financial record keeping systems to be inadequate or out of conformity with GAAP (Generally Accepted Accounting Practices).
11. Spend more than \$5,000 on equipment or building repairs at any one time or over any three-month period without Board approval.
12. Fail to notify the Board at the next regular meeting of any funds borrowed under the Co-op's line of credit.
13. Donate more than \$500.00 in any one-year period to a single individual or organization without obtaining prior approval of the Board.

Policy Type: Executive Limitations
Policy Title: F2 – Business Planning and Financial Budgeting
Last Revised: January 2010

The General Manager shall not cause or allow business planning and budgeting for any fiscal year or the remaining part of any fiscal year to deviate materially from the Board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.

The General Manager will not cause or allow plans that:

1. Risk incurring those situations or conditions described as unacceptable in the Board policy F1, "Financial Condition and Activities."
2. Omit credible projection of revenues and expenses, owner investment and return, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
3. Plan expenditures in any fiscal year that would result in default under any of the Co-operative's financing agreements or cause insolvency of the Co-operative.
4. Have not been tested for feasibility.
5. Provide less for Board prerogatives during the year than is set forth in the Governance Investment Policy. (C8)

Policy Type: Executive Limitations
Policy Title: F3 – Asset Protection
Last Revised: August 2018

The General Manager will not allow assets to be unprotected, unreasonably risked, or inadequately maintained, nor will the General Manager fail to adopt policies that describe how the Co-op maintains and secures records. The General Manager shall not fail to maintain adequate and secure financial, personnel, and corporate records.

Further, without limiting the scope of the previous statement,

The General Manager will not allow:

1. Equipment and facilities to be inadequately insured, or otherwise unable to be replaced if damaged or destroyed, including coverage for any losses incurred due to business interruption.
2. Unnecessary exposure to liability or lack of insurance protection from claims of liability.
3. Inadequate security of premises and property.
4. Data, intellectual property, or files to be unprotected from loss, theft or significant damage.
5. Improper usage of members' and customers' personal information.
6. Uncontrolled purchasing or purchasing subject to conflicts of interest.
7. Damage to the Co-op's public image, including, but not limited to providing a tobacco-free Co-op zone.

Policy Type: Executive Limitations
Policy Title: F4 – Treatment of Customers
Last Revised: August 2018

The General Manager will not be unresponsive to customer needs.

The General Manager will not:

1. Operate without a system for soliciting and considering customer opinion regarding preferences, product requests, complaints and suggestions.
2. Operate without a system for documenting and responding to customer grievances.
3. Allow an unsafe shopping experience for our customers.
4. Fail to follow safe food handling procedures.

Policy Type: Executive Limitations
Policy Title: F5 - Staff Treatment and Compensation
Last Revised: August 2018

The General Manager will not treat staff in any way that is unfair, unsafe, or unclear.

The General Manager will not:

1. Operate without written personnel policies that:
 - a. Clarify rules for staff
 - b. Provide for fair and thorough handling of grievances
 - c. Are accessible to all employees
 - d. Inform staff that employment is neither permanent nor guaranteed.
 - e. Have been approved by the Board and approved annually
2. Cause or allow personnel policies to be inconsistently applied.
3. Provide for inadequate documentation, security and retention of personnel records and all personnel related decisions.
4. Establish compensation and benefits that are internally or externally inequitable.
5. With respect to employment, compensation, and benefits to employees, consultants, and contract workers, cause or allow jeopardy to financial integrity or to public image.
6. Fail to keep a record, which will be available to the Board, of all staff grievances.

Policy Type: Executive Limitations
Policy Title: F6 – Emergency Management Succession
Last Revised: August 2018

To protect the Board from sudden loss of management services, the General Manager shall assure that the Administrative Manager or at least one other staff member is sufficiently familiar with Board and operations issues and processes to enable them to take over with reasonable proficiency in the absence of the General Manager or as an interim successor.