

**FARE SHARE CO-OP**  
**POLICY GOVERNANCE**  
**REGISTER**

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Note: This document is an ongoing record  
of the governing policies of Fare Share Co-op.

16 EXECUTIVE LIMITATIONS (EL)

11 GOVERNANCE PROCESS (GP)

6 BOARD-GENERAL MANAGER LINKAGE (B-GM)

4 ENDS

## EXECUTIVE LIMITATIONS

- EL 1: Global Executive Limitations Policy (Feb)
- EL 2: Treatment of Consumers (Mar)
- EL 3: Treatment of Staff (March)
- EL 4: Financial Planning and Budgeting (Quarterly: Feb, Apr, Jul, Oct)
- EL 5: Financial Condition and Activities (monthly; external audit in Feb)
- EL 6: Emergency General Management Succession (May by Board Member)
- EL 7: Asset Protection (Jun by Treasurer)
- EL 8: Compensation and Benefits (Mar)
- EL 9: Communication and Support to the Board (monthly)
- EL 10: Access To Information (Jun)
- EL 11: Ends Focus of Grants or Contracts (Sep)
- EL 12: General Maintenance of Building and Grounds (Oct)
- EL 13: Customer Service (Sep)
- EL 14: Guidelines for Co-op Food Policy and Inventory (Sep)
- EL15: Community and Cultural Relations (May)
- EL16: Tenant and Building Management (May)

Note: The months are when the policies are monitored. "Monitored" means:

1. a written report by the General Manager is sent one week before the Board meeting.
2. All Board members review the report.
3. If the report shows compliance, it simply becomes part the minutes for the upcoming meeting. If it shows non-compliance, the topic becomes part of the Board's agenda. To address non-compliance, the Board can take one of these actions (from our PG training materials):

- a. Do nothing (minor blips)
- b. Agree with GM on a realistic timeframe to correct the problem and monitor again to ensure correction
- c. Increase monitoring frequency
- d. Narrow the range of options by writing a more limiting policy
- e. Probation
- f. Replace the GM

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL1: GLOBAL EXECUTIVE LIMITATIONS POLICY  
ADOPTED: August 7, 2002  
LAST REVISED:  
Monitoring Report: Internal: General Manager, February

EL 1: Global Executive Limitations Policy

The General Manager will not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent or in violation of commonly accepted business or professional ethics, or disruptive to the Co-op's survival as an ongoing cooperative business.

This policy will be monitored annually by internal report of the General Manager to the Board in January.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL2: TREATMENT OF CONSUMERS  
ADOPTED: September 25, 2002  
LAST REVISED:  
Monitoring Report: Internal: General Manager, March

EL 2: Treatment of Consumers

With respect to interactions with consumers, the General Manager will not cause or allow conditions, procedures or decisions that are unsafe, undignified, unnecessarily intrusive, or that fail to provide appropriate confidentiality or privacy. Accordingly,

EL 2.1: The General Manager will not use forms that elicit information for which there is no clear necessity.

EL 2.2: The General Manager will not use methods of collecting, reviewing, transmitting or storing personal information that fail to protect against improper access to the material gathered.

EL 2.3: The General Manager will not make any individual member data available outside the Co-op.

EL 2.4: The General Manager will not fail to maintain facilities that provide a reasonable level of privacy, both visual and aural.

EL 2.5: The General Manager will not fail to establish a clear understanding with consumers of what may be expected and what may not be expected from the service offered.

EL 2.6: The General Manager will not fail to provide a grievance process to those who believe that they have been treated unfairly.

The intention of this policy is not to interfere with legitimate use of consumer information for educational purposes.

This policy will be monitored annually by internal report of the General Manager to the Board in February.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL3: TREATMENT OF STAFF  
ADOPTED: September 25, 2002  
LAST REVISED:  
Monitoring Report: Internal: General Manager, March

EL 3: Treatment of Staff

With respect to paid and community service/program staff, the General Manager will not fail to maintain conditions that are humane, fair and dignified. Accordingly,

EL 3.1: The General Manager will not operate without written personnel policies that clarify personnel rules for staff, provide for effective handling of grievances, and protect against wrongful conditions such as nepotism and preferential treatment for personal reasons.

EL 3.2: The General Manager will not discriminate against any staff member for expressing dissent.

EL 3.3: The General Manager will not fail to provide for a fair and thorough review of any grievance by means of a known procedure which will be used without bias, and will not fail to provide the staff member involved with an explanation of a management decision of any grievance upon proper request.

EL 3.4: The General Manager will not prevent staff from grieving to the Board when (1) internal procedures have been exhausted, and (2) the employee alleges either that (3) Board policy has been violated to his or her detriment or (4) Board policy does not adequately protect his or her human rights.

EL 3.5: The General Manager will not fail to acquaint staff with their rights under this policy.

EL 3.6: The General Manager will not discriminate among or terminate employees on any basis other than individual performance and qualifications.

EL 3.7: The General Manager will not fail to consider seniority as a valuable qualification.

EL 3.8: The General Manager will not fail to protect staff from unsafe, unhealthy, or illegal conditions.

EL 3.9: The General Manager will not fail to establish job descriptions for all employees, and may not alter this description without a corresponding adjustment in compensation.

EL 3.10: The General Manager will not fail to establish written procedure for all tasks.

EL 3.11: The General Manager will not fail to provide job training as needed for staff, and offer opportunities for professional developmental training.

EL 3.12: The General Manager will not fail to evaluate each staff person at least annually based upon pre-established criteria.

EL 3.13: The General Manager will not fail to post all job openings internally.

This policy will be monitored annually by internal report of the General Manager to the Board in March.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL4: FINANCIAL PLANNING AND BUDGETING  
ADOPTED: August 28, 2002  
LAST REVISED:  
Monitoring Report: Internal, General Manager, Quarterly (Feb, Apr, Jul, Oct)

EL 4: Financial Planning and Budgeting

With respect to budgeting for all or any part of a fiscal period, the General Manager may not jeopardize either operations or the fiscal integrity of the organization or deviate substantially from the Board 's Ends priorities.

Accordingly,

EL 4.1: The General Manager will not fail to ensure budgeting that contains sufficient detail to enable reasonably accurate projection of revenues, cash flow and expense, while separating capital and operation items, allowing subsequent audit trails, and disclosing planning assumptions.

EL 4.2: The General Manager will not fail to ensure budgeting that projects income conservatively and constrains budgeted operating expenses within projected income levels.

EL 4.3: The General Manager will not fail to ensure budgeting that conforms to Board stated Executive Limitations and Ends, when making allocations among competing budgetary needs.

EL 4.4: The General Manager will not allow budgeting that provides less for Board prerogatives during the year than is set forth in the Cost of Governance policy.

This policy will be monitored by quarterly review (Jan, Apr, Jul, Oct) of the proposed budget and internal report quarterly for updates. Proposed budget will be reviewed in November.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL5: FINANCIAL CONDITION AND ACTIVITIES  
ADOPTED: August 28, 2002  
LAST REVISED: September 17, 2003  
Monitoring Report: Internal: General Manager, Monthly; External: Auditing Firm, Annually in Feb

EL 5: Financial Condition and Activities

With respect to operating the cooperative in a sound and prudent manner, the General Manager may not jeopardize the long-term financial health of the cooperative or deviate from Board priorities established in Ends policy. Accordingly,

EL 5.1: The General Manager will not expend more funds than have been received in the fiscal year to date.

EL 5.2: The General Manager will not indebt the Co-op in an amount greater than can be repaid by certain, otherwise unencumbered revenues within sixty days.

EL 5.3: The General Manager will not use restricted funds outside the limits required by the restriction.

EL 5.4: The General Manager will not fail to settle payroll and debts in a timely manner.

EL 5.5: The General Manager will not fail to limit total staff wages to less than 20.5% of gross store sales in any given month.

EL 5.6: The General Manager will not allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

EL 5.7: The General Manager will not make a single purchase or commitment of greater than \$5000.

EL 5.8: The General Manager will not acquire, encumber, or dispose of real property.

EL 5.9: The General Manager will not fail to aggressively pursue receivables after a reasonable grace period.

EL 5.10: The General Manager will not allow expenditures to deviate materially from Board stated priorities.

EL 5.11: The General Manager will not fail to disclose fiscal activity and concerns to the Board.

EL 5.12: The General Manager will not fail to provide all needed information to outside auditors on a timely basis.

<draft> EL 5.13: The General Manager will not fail to analyze fiscal activity with acknowledgement of the distinction between store expenses and those that serve the whole organization.

This policy will be monitored monthly by financial report to the Board and annually by external audit.

POLICY TYPE:	EXECUTIVE LIMITATIONS
POLICY TITLE:	EL 6: EMERGENCY GENERAL MANAGER SUCCESSION
ADOPTED:	August 7, 2002
LAST REVISED:	
Monitoring Report:	Internal: Board Member, Annually in May

**EL 6: Emergency General Management Succession**

In order to protect the Board from sudden loss of General Management services, the General Manager may have no fewer than two others who are familiar with General Management and Board issues and processes.

This policy will be monitored annually by Board member interviews with individuals of the management team.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL7: ASSET PROTECTION  
ADOPTED: October 9, 2002  
LAST REVISED:  
Monitoring Report: Internal: Annually in June by Treasurer

EL 7: Asset Protection

The General Manager will not allow the assets to be unprotected, inadequately maintained, or unnecessarily risked. (Assets include physical property as well as intangible assets such as cooperative values and image.) To prevent untraceable transactions or conflict of interest in the management of the Co-op's resources:

EL 7.1: The General Manager will not fail to insure against theft and casualty losses to at least 80 percent of replacement value and against liability losses to Board members, staff, and the organization itself in an amount greater than the average for comparable organizations.

EL 7.2: The General Manager will not allow unbonded personnel access to material amounts of funds.

EL 7.3: The General Manager will not subject building and equipment to improper wear and tear or insufficient maintenance.

EL 7.4: The General Manager will not unnecessarily expose the organization, its board, or its staff to claims liability.

EL 7.5: The General Manager will not make any purchase (1) wherein normally prudent protection has not been given against conflict of interest; (2) of over \$5000 without having obtained comparative prices and quality.

EL 7.6: The General Manager will not fail to protect intellectual property, information, and files from loss or significant damage.

EL 7.7: The General Manager will not receive, process, or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards.

EL 7.8: The General Manager will not invest or hold operating capital in insecure instruments, including uninsured checking accounts and bonds of less than AA rating, or in non-interest bearing accounts except when necessary to facilitate ease in operational transactions.

EL 7.9: The General Manager will not endanger the organization's public image or credibility, particularly in ways that would hinder its accomplishment of mission.

EL 7.10: The General Manager will not fail to maintain an accurate procedures and policies manual that ensures adequate internal controls.

This policy will be monitored annually in July by report of the Treasurer to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL8: COMPENSATION AND BENEFITS  
ADOPTED: February 19, 2003  
LAST REVISED:  
Monitoring Report: Internal: General Manager, Annually, March

EL 8: Compensation and Benefits

The General Manager may not cause inexplicable discrimination or allow jeopardy to fiscal integrity or public image with respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers.

Accordingly,

EL 8.1: The General Manager will not change his or her own compensation and benefits.

EL 8.2: The General Manager will not promise or imply permanent or guaranteed employment.

EL 8.3: The General Manager will not fail to establish a current compensation and benefits schedule which:

- a. Represents the geographic and/or professional market for the skills employed.
- b. Is based on revenues that can be safely projected.
- c. Represents internal equity.
- d. Adheres to policies adopted by the Board and distributed to the staff.

EL 8.4: The General Manager will not allow compensation and benefits significantly beyond the limits established by the pay schedule.

This policy will be monitored annually by internal report of the General Manager to the board in February.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL9: COMMUNICATION AND SUPPORT TO THE BOARD  
ADOPTED: February 19, 2003  
LAST REVISED:  
Monitoring: Internal: General Manager, monthly

EL 9: Communication and Support to the Board

The General Manager will not fail to keep the Board informed and supported in its work.

EL 9.1: The General Manager will not fail to advise the Board if in the General Manager's opinion the Board is not in compliance with its own policies on Policy Governance process and Board -GM Linkage, particularly in the case of Board behavior as detrimental to the work relationship between the Board and the General Manager.

EL 9.2: The General Manager will not fail to provide for the Board as many staff and external points of view, issues and options as needed for informed Board choices.

EL 9.3: The General Manager will not fail to deal with the Board as a whole except when fulfilling individual requests for information or responding to officers of committees duly charged by the Board.

EL 9.4: The General Manager will not fail to report in a timely manner an actual or anticipated non-compliance with any policy of the Board.

EL 9.5: The General Manager will not fail to obtain consent for all items delegated to the General Manager that are required by law or contract to be Board-approved.

EL 9.6: The General Manager will not fail to inform the Board of relevant trends, public events of the organization, or internal and external changes which affect the previous assumptions of the Board.

EL 9.7: The General Manager will not fail to provide to the Board timely, accurate, and understandable monitoring data required by Board policy.

EL 9.8: The General Manager will not fail to inform the Board of significant problems that require the General Manager's attention with respect to members, services, staff and the community.

This policy will be monitored by Board 's acceptance of the General Manager's monthly report, culminating in the General Manager's evaluation.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL10: ACCESS TO INFORMATION  
ADOPTED: March 19, 2003  
LAST REVISED:  
Monitoring Report: Internal: General Manager, Annually, June

EL 10: Access To Information

The data, information systems, and collective technology knowledge of the organization are of critical strategic value in serving members. With respect to operating the Coop in a sound and prudent manner, the General Manager will not fail to insure timely access to appropriate information by the staff and Board.

Accordingly,

EL 10.1: The General Manager will not fail to plan for the ongoing and future information systems requirements of the organization.

EL 10.2: The General Manager will not fail to educate the organization on industry best practices, including the costs and benefits of potential information systems capabilities.

EL 10.3: The General Manager will not fail to provide sufficient information tools and resources for the management and staff to meet and exceed the requirements of their jobs.

EL 10.4: The General Manager will not fail to provide training designed to develop suitable self-sufficiency of the management and staff regarding information systems.

EL 10.5: The General Manager will not fail to provide adequate and timely support for the appropriate information systems requests of the management and staff.

EL 10.6: The General Manager will not fail to ensure on-going system maintenance for a reasonable level of data availability.

EL 10.7: The General Manager will not fail to ensure adequate cross training of the management team and staff to avoid critical dependency on any one person regarding information systems.

This policy will be monitored annually in August by internal report of the General Manager to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL11: ENDS FOCUS OF GRANTS OR CONTRACTS  
ADOPTED: August 7, 2002  
LAST REVISED:  
Monitoring Report: Internal: General Manager, Annually, September

EL 11: Ends Focus of Grants or Contracts

The General Manager may not enter into any grant or contract arrangements that fail to emphasize the production of the Board's Ends policies and the avoidance of unacceptable means.

This policy will be monitored annually in September by internal report of the General Manager to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: E12: GENERAL MAINTENANCE OF BUILDING & GROUNDS  
ADOPTED: August 7, 2002  
LAST REVISED: September 2009 (h. and i. added)  
Monitoring Report: Internal: General Manager, Annually, October

EL 12: General Maintenance of Building and Grounds

As we are a retail food business with an emphasis on natural and health products, it is of the utmost importance to maintain the highest standards of cleanliness, tidiness, organization and upkeep in all areas of the building and grounds. Accordingly,

EL 12.1: The General Manager will not fail to keep the store clean and visually appealing at all times, according to the specifics listed in the Operations Manual.

EL 12.2: The General Manager will ensure that the building and grounds are maintained and repaired when needed. Specifically,

- a. All doors and locks fixed when broken or presenting unsecure conditions for the Co-op and its tenants.
- b. The grounds around the building swept, kept free of debris and miscellaneous items at all times.
- c. Care and maintenance given to the awning regularly.
- d. The removal of snow and ice at the beginning of each day and throughout the day when needed.
- e. Coordination of ice and water removal on the roof.
- f. All state, health and disability requirements and signage fulfilled and maintained.
- g. Maintenance of water heater and instructions posted for resetting of pilot light.
- h. Repair and repainting of the outside of the building surfaces as needed to maintain integrity and appearance.
- i. Maintenance and repair of windows and window caulking as needed, and cleaning of store windows on a regular basis.

This policy will be monitored annually in October by internal report of the General Manager to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL13: CUSTOMER SERVICE  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: General Manager, Annually, September

#### EL 13: Customer Service

The General Manager will ensure that excellent customer service is given to all Fare Share customers, members and tenants at all times. Accordingly,

EL 13.1: The General Manager will ensure proper training for new employees and when needed.

EL13.2: The General Manager will provide clear policy of what is expected from the staff and management for excellent customer service. Included in that policy shall be:

- a. Staff and management shall dress and present themselves professionally and be easily identifiable as staff to customers.
- b. All customers will be greeted when they come through the door and when in line at the register.
- c. Customers will be moved swiftly through checkout and acknowledged apologetically when there are delays.
- d. Staff will not talk on the phone when customers are at the register, have questions, or need attention. If a call comes in the phone will be answered within the first two rings. The caller will politely be asked to hold until customers are taken care of. Customers in the store are the top priority at all times.
- e. Customers will be helped with any questions they have about products, services and membership.
- f. Product, services and membership training will be given to staff and management when needed.
- g. All products will be entered properly in the system to insure that staff can move customers through the check out process quickly.
- h. Prices for all products will be clear and easy to find for customers. Customers and staff will never be left wondering how much a product costs.
- i. Clear and well-organized instructions for all procedures for the register and the store will be kept in a binder at the register.
- j. The General Manager will always be available to staff during the stores working hours. If the manager cannot be available, they will insure that the staff has a back up procedure in place if anything goes wrong or if there are any needs.
- k. The General Manager will provide venues for members and customers to voice concerns, needs, complaints and suggestions. Action will be taken in a timely manner or reasons will be given publicly when certain requests cannot be fulfilled if helpful to share with customers or membership.
- l. Staff meetings will be held regularly to review policy pertaining to the staff with discussion and steps to be taken if compliance is not possible.

This policy will be monitored annually in November by internal report of the General Manager to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL14: GUIDELINES FOR CO-OP FOOD POLICY & INVENTORY  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: General Manager, Annually, September

EL 14: Guidelines for Co-op Food Policy and Inventory

To fulfill the Co-ops mission of offering healthy food to the membership and community, the General Manager will ensure that membership and community needs are taken care of by buying food for the Co-op. Accordingly,

EL 14.1: The General Manager will provide various venues for members and customers to request specific foods and make suggestions about the selection of food in the store.

EL 14.2: The General Manager will fulfill requests whenever possible and publicly give reasons why certain requests cannot be fulfilled.

EL 14.3: The General Manager will create short and long term plans for inventory goals in accordance with the mission of the Co-op to be approved annually by the Board.

EL 14.4: All spoilage and out of date products will be tracked and taken off shelves or removed from the deli.

EL 14.5: All food offered will be labeled appropriately with information such as, certified organic, locally grown, pesticide or herbicide free, conventional or transitional. All ingredients on deli items will be legibly and completely listed with reference to organic foods contained in them.

This policy will be monitored annually in December by internal report of the General Manager to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: E15: COMMUNITY AND CULTURAL RELATIONS  
ADOPTED: July 21, 2004  
LAST REVISED:  
Monitoring Report: Internal: General Manager, Annually, May

EL 15.1: The General Manager shall allow customers to hang posters and flyers that advertise any and all local public events in the bottom 17 inches of the windows. The bulletin board in the entry way to the store shall be used for public posting.

EL 15.2 The General Manager shall insure that the Commons is open for use for public meetings that are open to all.

EL 15.3 The General Manager shall work with the Commons Coordinator who oversees the activities in the Commons, schedules the use of the space, and keeps the space in good working order. A job description is available describing this position from the current Commons Coordinator.

EL 15.4 The General Manager shall insure that Fare Share actively participates in efforts to build a strong local community and support other businesses, non-profit agencies, and organizations.

This policy will be monitored annually in December by internal report of the General Manager to the Board.

POLICY TYPE: EXECUTIVE LIMITATIONS  
POLICY TITLE: EL16: TENANT AND BUILDING MANAGEMENT  
ADOPTED: March 16, 2007 (Changed from a GP policy to an EL)  
LAST REVISED: March 2009 (16.7 added)  
Monitoring: Internal: General Manager, May

EL 16: Tenant and Building Management

Fare Share Co-op owns our building at 443-447 Main Street, Norway, Maine, and rents space in the building to tenants. The General Manager will ensure that tenants and rentals are well managed.

EL 16.1: The General Manager must be acquainted with and on good terms with all tenants in the building.

EL 16.2: The General Manager is responsible for the execution of all leases with tenants, including the setting of rents, and is responsible for the billing and receipt of rent checks. The General Manager may negotiate such matters as the storage of tenant property in the basement, subletting, or the occasional emergency need for key access to tenant areas. The General manager will not allow changes to the building without Board approval.

EL 16.3: If and when vacancies occur, the General Manager is responsible for advertising and filling such vacancies in a timely manner.

EL 16.4: The General Manager will ensure that rental spaces are filled in accordance with any restrictions placed on rentals by the terms of current grants or loans.

EL 16.5: The General Manager will inform the Board of any problems with or changes to Fare Share's tenants, and may consult the Board-appointed Tenant Liaison with any immediate issues if he or she feels it is necessary.

EL 16.6: Tenants who feel they have been treated unfairly may file a written Grievance with the General Manager. If the General Manager does not respond to their satisfaction within 10 business days of receiving the Grievance, the tenant may file a written Grievance with the Tenant Liaison. If the Tenant Liaison does not respond to their satisfaction within 15 business days of receiving the Grievance, the tenant may file a written Grievance with the Board of Directors. The Board of Directors will respond within 30 days.

EL16.7 When making rental agreements and leases, the General Manager will consider and honor the safety and integrity of our old building, that is, not rent to tenants who engage in rambunctious activity or who might stress the floor with large gatherings of too many people.

This policy will be monitored annually in March by internal report of the General Manager to the Board.

## GOVERNANCE PROCESS

GP 1: Global Governance Process Policy

GP 2: Governing Style

GP 3: Board Job Description

GP 4: President's Role

GP 5: Board Member's Code of Ethics (All)

GP 6: Board Member's Code of Conduct (All)

GP 7: Board Committee Principles

GP 8: Board Nominations Process

GP 9: Volunteer Opportunities

GP 10: Cost of Governance

GP 11: Monitoring Board Performance

Note: Reports will be assigned to the nine Board Members (A-I) on a schedule published in January. Reports are due one week prior to the Board meetings.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP1: GLOBAL GOVERNANCE PROCESS POLICY  
ADOPTED: April 2, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

GP 1: Global Governance Process Policy

The purpose of the Board, acting on behalf of the Fare Share Co-op membership, is to set strategic, long-range direction, hire the General Manager, and monitor organizational performance. The Board will do this by using Policy Governance.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP2: GOVERNING STYLE  
ADOPTED: April 2, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

#### GP 2: Governing Style

The Board will govern with an emphasis on (1) outward vision rather than internal preoccupation, (2) encouragement of diversity in viewpoints, (3) strategic leadership more than administrative detail, (4) clear distinction of Board and General Manager roles, (5) collective rather than individual decisions, (6) future rather than past or present, and (7) proactivity rather than reactivity.

GP 2.1: The Board will cultivate a sense of group responsibility. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives. The Board will use the expertise of individual members to enhance the ability of the Board rather than to substitute individual judgments for the Board's values. The Board will allow no officer, individual, or committee of the Board to hinder or be an excuse for not fulfilling Board commitments.

GP 2.2: The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives about ends to be achieved and means to be avoided. The Board's major policy focus will be on the intended long-term effects outside the organization, not on the administrative or programmatic means of attaining those effects.

GP 2.3: The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation, policy-making principles, respect of roles, and ensuring continuance of governance capability. Continual Board development will include orientation of new Board members in the Board's governance process and periodic Board discussion of process improvement.

GP 2.4: The Board will monitor and discuss the Board's process and performance at each meeting. Self-monitoring will include comparison of Board activity and discipline to policies in the Governance Process and Board-General Manager linkage categories.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP3: BOARD JOB DESCRIPTION  
ADOPTED: April 2, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

### GP 3: Board Job Description

The job of the Board is to represent Fare Share Co-op members in determining and demanding appropriate organizational performance.

GP 3.1: The Board is the link between the organization and the ownership.

GP 3.2: The Board will produce written governing policies that, at the broadest levels, address each category of organizational decision.

- a. Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within all executive activity and decisions must take place.
- b. Governance Process: Specifications of how the Board conceives, carries out and monitors its own tasks.
- c. Board -General Manager Linkage: How power is delegated and its proper use monitored; authority and accountability of the CEO role.
- d. Ends: Organizational products, effects, benefits, outcomes, recipients and their cost or relative worth (what goods for which recipient at what cost.)

GP 3.3: The Board will produce assurance of General Manager performance against Ends and Executive Limitations policies.

GP 3.4: To accomplish its job with a governance style consistent with Board policies, the Board will follow an annual agenda that (1) completes re-exploration of Ends policies annually and (2) continually improves Board performance through Board education and enriched input and deliberation.

### GP 3.5: Annual Agenda Planning

- a. The cycle will conclude each year on the last day of December so that planning and budgeting can be based on accomplishing a one-year segment of the Board 's most recent statement of long-term Ends.
- b. The cycle will start with the Board 's development of its agenda for the next year.
- c. Consultation with selected groups in the membership, or other methods of gaining membership input, will be determined and arranged in the first quarter, to be held during the balance of the year.
- d. Governance education related to Ends determination will be arranged in the first quarter, to be held during the balance of the year.
- e. Throughout the year, the Board will attend to consensual decisions as expeditiously as possible
- f. General Manager monitoring will be included on the agenda if monitoring reports show policy violation or if policy criteria are to be debated.
- g. General Manager remuneration will be decided after a review of monitoring reports received in the last year during the month of February.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP4: PRESIDENT'S ROLE  
ADOPTED: May 21, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

#### GP 4: President's Role

The president assures the integrity and fulfillment of the Board's process and, secondarily, occasionally represents the Board to outside parties.

GP 4.1: The job result of the president is that the Board behaves consistently with its own rules and those legitimately imposed upon it from outside the organization.

- a. Meeting discussion content will be only issues that, according to Board policy, clearly belong to the Board to decide, not the General Manager.
- b. Deliberation will be fair, open, and thorough but also timely, orderly, and to the point.

GP 4.2: The authority of the president consists in making decisions that fall within topics covered by Board policies on Governance Process and Board -General Manager Linkage, except where the Board specifically delegates portions of this authority to others. The president is authorized to use any reasonable interpretation of the provisions in these policies.

- a. The president is empowered to chair Board meetings with all the commonly accepted power of that position (for example, ruling, recognizing).
- b. The president has no authority to make decision about policies created by the Board within Ends and Executive Limitations policy areas. Therefore, the chairperson has no authority to supervise or direct the General Manager.
- c. The president may represent the Board to outside parties in announcing Board -stated positions and in stating chair decision and interpretation within the area delegated to her or him.
- d. The president may delegate this authority but remains accountable for its use.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP5: BOARD MEMBERS CODE OF ETHICS  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Each Board Member to the President annually

#### GP 5: Board Members Code of Ethics

The Board of Directors of Fare Share Co-op adopts the following code of ethics to clarify the role, conduct, and authority of the Board and its individual Directors. This code of ethics is proposed to create greater unanimity and closer coordination between directors, and among directors, management, membership and employees. Accordingly, the Board agrees that:

GP 5.1: The Board's authority is limited to overseeing the affairs of the cooperative in a manner deemed beneficial to the cooperative as a whole. To do this we employ a General Manager to be responsible for the overall and day-to-day operation of the business under the direction of the board, and work with staff to set the future direction of the Co-op. We are also responsible for carrying out other duties as provided by the by-laws or by general or specific corporate laws.

GP 5.2: Each director's authority is equal only to the rights & authority of any individual member of the cooperative, except when the board is in formal meeting. No individual director may take action on behalf of the coop alone unless explicitly delegated that authority by action of the board, and no individual director has an exclusive right to information that has not been made available to all directors.

GP 5.3: The authority of the General Manager, as approved by the Board in manager's job descriptions, is to manage the affairs of the cooperative. The General Manager shall employ, supervise, and discharge all employees, agents and laborers, and engage in all negotiations and discussions on behalf of the cooperative as necessary and/or directed by the Board.

GP 5.4: While an individual director may disagree with a policy approved by or action taken by the majority of the board, she/he will support the action as being the considered judgment of the board.

GP 5.5: An individual director shall have the right to present further evidence and argument to the board for further consideration in a manner consistent with the board's practices. The board shall have the duty to reconsider its action appropriately.

GP 5.6: All directors will maintain confidentiality as needed to protect the co-op's interests and financial liability. This means that directors shall not discuss disputed or confidential corporate actions, policies, or issues with Co-op members, employees, or the general public unless all directors agree that such information is no longer confidential. All issues related to personnel, real estate, market strategy and goals, pending litigation, and details of the Co-ops financial status will be considered sensitive issues, subject to confidentiality unless or until full disclosure is approved by the board as a whole.

GP 5.7: Directors serve as representatives of the Co-op. We shall conduct ourselves in a professional manner, which fosters confidence and reflects positively on the Co-op, its members, managers and employees. We respect the rights of others-directors, staff, and members-to communicate their ideas free

from interruption and without intimidation. All Directors shall affirmatively and at all times, disclose any/all economic conflicts of interest.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP6: BOARD MEMBERS CODE OF CONDUCT  
ADOPTED: May 21, 2003  
LAST REVISED:  
Monitoring Report: Internal: Each Board Member to the President annually

GP 6: Board Member's Code of Conduct

The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.

GP 6.1: Board members must represent unconflicted loyalty to the interests of the Co-ops membership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's services.

GP 6.2: Board members must avoid conflict of interest with respect to their fiduciary responsibility.

- a. There must be no self-dealing or any conduct of private business or personal services between any Board member and the organization, except as procedurally controlled, to assure openness, competitive opportunity, and equal access to inside information.
- b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall leave without comment, and is not to participate in the vote or deliberation.
- c. Board members must not use their positions to obtain employment for themselves, family members, or close associates. Should a Board member desire employment, he or she must first resign from the Board.
- d. Members will annually disclose their involvements with other organizations, with vendors, or any other associations that might produce a conflict.

GP 6.3: Board members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.

- a. Board member's interaction with public, press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
- b. Board members will give no consequence or voice to individual judgments of General Manager or staff performance.
- c. Board members will respect the confidentiality appropriate to issues of a sensitive nature.
- d. Board member's interaction with the General Manager or staff must recognize the lack of authority vested in individuals except when explicitly Board-authorized.

GP 6.4: Board Directors pledge to do their best for Fare Share Co-op (these sub-policies are written from the point of view of each individual Board member):

- a. Devote the time needed to fulfill the responsibilities of the position;
- b. Attend all regular and special board and my committee meetings;
- c. Be prompt, attentive and prepared for all board and committee meetings;
- d. Contribute to and encourage open, respectful, and thorough discussions by the board;
- e. Attend and actively participate in the board's training sessions and retreats to enhance board understanding and cohesiveness;
- f. Consider the business of the Co-op and its members to be confidential in nature;

- g. Disclose any personal or organizational conflict of interest that I may have and refrain from discussing or voting on any issues related to that conflict;
- h. Be honest, helpful, diligent, and respectful in my dealings with the Co-op, with other directors, and with the Co-op's management, staff, and members;
- i. Refrain from behavior or conduct that is or could be perceived to be detrimental to or undermining of the Co-op best interests;
- j. Work for the continued and increased effectiveness in the Co-ops ability to serve its member/owners;
- k. Be supportive, work cooperatively, participate fully and agree to abide by the consensual action of the board, even if it is not my own personal opinion;
- l. Present the agreed-upon view of the board of directors, rather than my own, when I speak for the Co-op to employees, members, shoppers, and the general public;
- m. Refrain from asking for special privileges as a board member and from interfering with management authority;
- n. Work to ensure that the Co-op is controlled in a democratic fashion by its members, and that all elections are open, fair, and encourage the participation of all members;
- o. Strive at all times to keep members informed of the Co-ops status and plans, and of the Board's work, as appropriate;
- p. Continually seek to learn more about the Co-op and its operations and about my responsibilities as a Board member by pursuing education opportunities;
- q. Help build a community of trust and respectful relationships within the Co-op.
- r. If, in the opinion of the Co-op Directors, a Board member has violated the Code of Ethics and Code of Conduct he or she shall resign their position on the Board immediately and shall not seek to cause continued disruption to the Co-op and the Co-op Board, for that action.

This policy will be monitored annually by a written report of each Board member to the Board President. If a member's situation changes during the year, this should be made known immediately to the board President in writing for inclusion in the Consent Agenda at the next Board meeting.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP7: BOARD COMMITTEE PRINCIPLES  
ADOPTED: September 17, 2003  
LAST REVISED: September 19, 2006  
Monitoring Report: Internal: Board Member, Annually

#### GP 7: Board Committee Principles

Board committees, when used, will be assigned to reinforce the wholeness of the Board 's job and never to interfere with delegation from Board to General Manager.

GP 7.1: Board committees are to help the Board do its job, never to help or advise the staff. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have dealings with current staff operations.

GP 7.2: Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectation and authority will be carefully stated in order not to conflict with authority delegated to the General Manager.

GP 7.3: Board committees cannot exercise authority over staff. Because the General Manager works for the full Board, he or she will not be required to obtain approval of a Board committee before an executive action.

GP 7.4: Board committees are to avoid over-identification with organizational parts rather than the whole. Therefore a Board committee that has helped the Board create policy on some topic will not be used to monitor organizational performance on that same topic.

GP 7.5: Committees will be used sparingly and ordinarily in an ad hoc capacity.

GP 7.6: This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members. It does not apply to committees formed under the authority of the General Manager.

GP 7.7: Committee chairs or representatives must report to both the Board President and the General Manager in a timely fashion about any action the committee takes.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP8: BOARD NOMINATIONS PROCESS  
ADOPTED: September 17, 2003  
LAST REVISED: August 18, 2005  
Monitoring Report: Internal: Board Member, Annually

#### GP 8: Board Nominations Process

To insure continuation of effective leadership and governance, the Board commits itself to recruiting high quality candidates for open board positions.

Accordingly,

GP 8.1: The Board will appoint a Nominating Committee, constituted according to the By-laws. The Nominating Committee will be responsible for the following activities, listed sequentially:

- a. Recruit and identify potential candidates for the Board of Directors and when requested by the Board, for other Board Committees.
- b. Communicate with potential candidates about the nominating process, the election process, and the requirements of their service. Encourage potential candidates to attend a Board meeting if they have not already done so.
- c. Present a slate of candidates, which includes why each candidate is qualified for Board membership, for Board approval.
- d. Communicate with new candidates the requirements for their personal statements for the Co-op newsletter, and provide them with support.
- e. Conduct election at the fall General Membership Meeting.
- f. Count ballots and inform candidates and members of the election results.
- g. Orient new Board members before they attend their first Board meeting.
- h. Welcome new Board members at the first meeting.
- i. Present new Board members with Policy Governance manuals and provide training.

GP 8.2: The Nominating Committee will identify potential candidates who share the following qualifications:

- a. Candidates will be committed to serve the Co-op and its members.
- b. Candidates will be actively interested in linking to members.
- c. Candidates will have a preference for long-term, strategic, and conceptual thinking.
- d. Candidates will be willing to learn and work within the Policy Governance model (which will be explained thoroughly in the Orientation for new Board members).
- e. Candidates will be able to participate thoughtfully and assertively in deliberation, showing full respect for the opinions of others.
- f. In accordance with the Bylaws, Article V Section 2, "A person must have been a member in good standing for the six month prior to election."
- g. Candidates who have been convicted of a felony will notify the chairman of the Nominating Committee as soon as possible. This disclosure is necessary due to laws governing the Co-op's state liquor license. The Nominating Committee Chair will need to provide guidance to the candidate so he/she can begin the process of obtaining a state liquor license waiver.

GP 8.3: The Board will make clear to prospective candidates the obligations associated with Board membership.

- a. The Board will make clear to prospective candidates that they will serve as unpaid volunteers who are expected to commit a significant amount of time (5-6 hours) per month to Board activities, which include:
- b. Preparation for and attendance at monthly and special Board meetings;
- c. Participation in various working groups and committees;
- d. Participation in the planning and conduct of the Spring and Fall Membership Meetings (a few hours plus the evening meeting each year)
- e. Participation in special events, such as the annual yard sale and the Fare Share Follies.

GP 8.4: To insure a competitive election, the board will strive to recruit a sufficient number of applicants to provide for two more candidates than open Board positions.

This policy will be monitored annually by direct report of the Nomination Committee to the Board at the time the Committee presents the slate of candidates for Board approval.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP9: VOLUNTEER OPPORTUNITIES  
ADOPTED: August 15, 2005 (rewritten, replaced old GP9)  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

#### GP9: VOLUNTEER OPPORTUNITIES

Because volunteers are essential to the ongoing health of our organization, the Board will encourage and foster volunteerism among our owner/members.

##### GP9.1

The Board itself is made of members who volunteer their time and effort to the Coop.

##### GP9.2

The Board may solicit volunteers (a) to serve on Board committees and/or task forces and (b) to chair or work on fundraisers.

##### GP9.3

Store volunteers are supervised and acknowledged by the General Manager.

##### GP9.4

The Board will develop and support Membership policies that encourage and support volunteering.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP10: COST OF GOVERNANCE  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

GP 10: Cost of Governance

Because poor governance costs more than learning to govern well, the Board will invest in its governance capacity.

GP 10.1: Board skills, methods, and supports will be sufficient to assure governing excellence.

- a. Training and retraining will be used to orient new members and candidates for membership, as well as to maintain and increase existing member skills and understandings.
- b. Outside monitoring assistance will be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to fiscal audit.
- c. Outreach mechanisms will be used as needed to ensure the Board 's ability to listen to owner viewpoints and values.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: GP11: MONITORING BOARD PERFORMANCE  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

GP 11: Monitoring Board Performance

The monitoring calendar for the Board's performance follows:

January: GP 1: Global Governance Process Policy by Board Member A

February: GP 2: Governing Style by Board Member B

March: GP 3: Board Job Description by Board Member C

April: GP 4: Chairperson's Role by Board Member D

May: GP 5: Board Members Code of Conduct and GP 6: Board Member's Code of Conduct; internal report by each Board member to the President

June: GP 7: Board Committee Principles by Board Member E

July: GP 8: Board Nominations Process by Board Member F

August: GP 9: Volunteer Opportunities by Board Member G

September: GP 10: Cost of Governance by Board Member H

October: GP 11: Monitoring Board Performance by Board Member I

This policy will be monitored annually by internal report of a Board Member to the Board.

## BOARD-GENERAL MANAGER LINKAGE

The Board's sole official connection to the operating organization, its achievement, and conduct will be through a General Manager.

The Board of Directors is a policy-making body. The link between the Board and the operation of the Co-op is limited to its communication with, and direction of, the GM.

B-GM 1: Unity of Control

B-GM 2: Accountability of the General Manager

B-GM 3: Delegation to the General Manager

B-GM 4: Monitoring General Manager Performance

B-GM 5: Hiring a General Manager

B-GM 6: Managing a Grievance Process

Note: Reports will be assigned to the nine Board Members (A-I) on a schedule published in January. Reports are due one week prior to the Board meetings.

POLICY TYPE: BOARD-GENERAL MANAGER LINKAGE  
POLICY TITLE: B-GM 1: UNITY OF CONTROL  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

**B-GM 1: Unity of Control**

Only decisions of the Board acting as a body are binding on the General Manager.

B-GM 1.1: Decisions or instructions of individual board members, officers, or committees are not binding on the General Manager except in rare instances when the board has specifically authorized such exercise of authority.

B-GM 1.2: In the case of board members or committees requesting information or assistance without board authorization, the General Manager can refuse such requests that require, in the General Managers opinion, a material amount of staff time or funds, or are disruptive to the operation of the store.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: BOARD-GENERAL MANAGER LINKAGE  
POLICY TITLE: B-GM 2: ACCOUNTABILITY OF THE GENERAL MANAGER  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Annually

**B-GM 2: Accountability of the General Manager**

The General Manager is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the board is concerned, is considered the authority and accountability of the General Manager.

**B-GM 2.1:** The Board will never give instructions to persons who report directly or indirectly to the General Manager.

**B-GM 2.2:** The board will refrain from evaluating, either formally or informally, any staff other than the General Manager.

**B-GM 2.3:** The board will view General Manager performance as identical to organizational performance so that organizational accomplishment of board-stated Ends and avoidance of board-proscribed means will be viewed as successful General Manager performance.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: BOARD-GENERAL MANAGER LINKAGE  
POLICY TITLE: B-GM 3: DELEGATION TO THE GENERAL MANAGER  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

**B-GM 3: Delegation to the General Manager**

The board will instruct the General Manager through written policies that prescribe the organizational Ends to be achieved and describe organizational situations and actions to be avoided, allowing the General Manager to use any reasonable interpretation of these policies.

**B-GM 3.1:** The board will develop policies instructing the General Manager to achieve certain results, for certain recipients at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be called Ends Policies.

**B-GM 3.2:** The board will develop policies that limit the latitude the General Manager may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, called Executive Limitations policies.

**B-GM 3.3:** As long as the General Manager uses any reasonable interpretation of the board's Ends and Executive limitations policies, the General Manager is authorized to establish all practices, and develop all activities.

**B-GM 3.4:** The board may change its Ends and Executive Limitations policies at any time, thereby shifting the boundary between board and General Manager domains. By doing so, the board changes the latitude of choice given to the General Manager. But as long as any particular delegation is in place, the board will respect and support the General Manager's choice.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: BOARD-GENERAL MANAGER LINKAGE  
POLICY TITLE: B-GM 4: MONITORING GENERAL MANAGER PERFORMANCE  
ADOPTED: September 17, 2003  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

#### B-GM 4: Monitoring General Manager Performance

Systematic and rigorous monitoring of General Manager job performance will be solely against the only expected General Manager job outputs: organizational accomplishment of board policies on Ends and organizational operation within the boundaries established on Executive Limitations.

B-GM 4.1: Monitoring is simply to determine the degree to which board policies are being met. Data that do not do this will not be considered to be monitoring data. Therefore, the GM shall define metrics to measure results, set standards, and provide data that show performance relative to those standards.

B-GM 4.2: The board will acquire monitoring data by one or more of three methods: (a) by internal report, in which the General Manager discloses compliance information to the board, (b) by external report, in which an external, disinterested third party selected by the board assesses compliance with board policies, and (c) by direct inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.

B-GM 4.3: In every case, the standard for compliance shall be any reasonable General Manager interpretation of the board policy being monitored.

B-GM 4.4: All policies that instruct the General Manager will be monitored at a frequency and by a method chosen by the board. The board can monitor any policy at any time by any method, but will ordinarily depend on a routine schedule.

B-GM 4.5: The Board Secretary is responsible for keeping the Policy Governance monitoring schedule and giving people advance notice of upcoming monitoring report dates.

The monitoring calendar follows:

#### January

EL 1- Global Executive Limitations Policy

EL 4 - Budgeting/Financial Planning: quarterly financial report

EL 5 - Financial Condition: monthly GM report to the Board

EL 6 - Emergency Management Succession: annually by Board member interviews with individuals of the management team, as part of GM evaluation

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

#### February

EL 2 - Treatment of Consumers: internal report by GM, as part of GM evaluation

EL 5 - Financial Condition: monthly GM report to the Board

EL 5 - Financial Condition: External Auditor's report

EL 8 - Compensation and Benefits: internal report of GM as part of GM evaluation

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

#### March

EL 3 - Staff Treatment: internal report of GM as part of GM evaluation

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

EL 16-Building and Tenant Management: internal report of GM as part of GM evaluation

#### April

EL 4 - Budgeting/Financial Planning: quarterly financial report

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

#### May

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

#### June

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

#### July

EL 4 - Budgeting/Financial Planning: quarterly financial report

EL 5 - Financial Condition: monthly GM report to the Board

EL 7 - Asset Protection: by Treasurer's (?) report through the Finance Committee

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

#### August

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

EL 10 - Access to Information: internal report of GM as part of GM evaluation

EL 11 - Ends Focus of Grants and Contracts: internal report of GM as part of GM evaluation

#### September

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

EL 12 - General Maintenance of Building and Grounds: internal report of GM as part of GM evaluation

#### October

EL 4 - Budgeting/Financial Planning: quarterly financial report

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

EL 13 - Customer Service: internal report of GM as part of GM evaluation

#### November

EL 4 - Budgeting/Financial Planning: review of proposed budget

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

EL 14-Guidelines for Co-op Food Policy and Inventory: internal report of GM as part of GM evaluation

December

EL 5 - Financial Condition: monthly GM report to the Board

EL 9 - Communication and Counsel to the Board: by acceptance of the GM's report

EL 15 -Community and Cultural Relations

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: BOARD-GENERAL MANAGER LINKAGE  
POLICY TITLE: B-GM5: HIRING A GENERAL MANAGER  
ADOPTED: August 1, 2005  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

#### B-GM5: Hiring a General Manager

When the need for a General Manager is identified, it is the responsibility of the Board to hire a new General Manager in a responsible, professional, and timely fashion.

##### B-GM 5.1

The position will be posted for at least two weeks. The Board will appoint an ad-hoc Search Committee which consists of Board members and may also include other Members in Good Standing.

##### B-GM 5.2

Notice will be given by mail or e-mail to members, and posting in the store. Other ways to advertise include newspaper ads, Internet listings, c-gin, and flyers.

##### B-GM 5.3

The entire process of application, interviews, and decisions is confidential.

##### B-GM 5.4

The Search Committee will accept and review applications, decide which applicants to interview, conduct interviews, and make a recommendation to the Board about its first, second, and third choices. The candidate will then have a second interview with the entire Board.

##### B-GM 5.5

If the recommendation of the Search Committee is accepted, the entire Board will decide upon a salary offer, a starting date, a probationary period, a method of evaluation at the end of that period, and any other benefits that will be offered to the General Manager. If it is not accepted, the Board will give the Search Committee explicit instructions about how to proceed.

##### B-GM 5.6

When a new General Manager is hired, the hiring will be reported to the general membership via e-mail or newsletter and to the general public via a press release. Letters of thanks and notice will be written by the Search Committee to all candidates.

##### B-GM 5.7

As an Equal Opportunity Employer, Fare Share is subject to the following laws:

5.7.1 Title VII of the Civil Rights Act of 1964 prohibits discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of race, color, religion, sex or national origin.

5.7.2 Under Section 503 of the Rehabilitation Act of 1973, and its implementing regulations, employers with federal contracts or subcontracts must take affirmative steps to employ qualified individuals with disabilities.

##### B-GM 5.8

Fare Share does not discriminate in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral, and other aspects of employment, on the basis of sexual orientation.

This policy will be monitored annually by internal report of a Board Member to the Board.

POLICY TYPE: BOARD-GENERAL MANAGER LINKAGE  
POLICY TITLE: B-GM6: MANAGING A GRIEVANCE PROCESS  
ADOPTED: April 27, 2009  
LAST REVISED:  
Monitoring Report: Internal: Board Member, Annually

#### B-GM6: Managing a Grievance Process

When a grievance is filed by a staff member, Board member, or Coop member, it is the responsibility of the Board to address the grievance in a responsible, professional, and timely fashion.

##### B-GM 6.1

Fare Share does not have a standing Grievance Committee. When a grievance is filed, a Grievance Committee shall be assembled by the Board President consisting of three (3) members. One member shall be a co-op employee, and one a member of the Fare Share Board. They shall be selected by and mutually agreeable to both parties. The third member shall be an outside third-party professional with education and/or experience in mediation, labor relations, human resources, or some other qualification that makes them skilled in dispute resolution. This person shall serve as the Grievance Committee Chair.

##### B-GM 6.2

The responsibilities of the Grievance Committee shall be to:

1. Hear the grievance, where direct attempts to solve the problem have been unsuccessful;
2. Solicit additional information as needed;
3. Evaluate the grievance and arrive at a binding decision on resolving it;
4. Provide written records of resolutions reached and actions taken;
5. Monitor use of labor hours in each grievance procedure, and keep within the established budget and timeline.

##### B-GM 6.3

Most cases of disputes fall into one of four categories:

1. violation of existing policies;
2. inconsistent application of policy to different employees in similar situations;
3. an unfair situation for which no policy exists; or,
4. an unfair situation caused by an inherently unfair or discriminatory policy.

If the situation doesn't fall into one of these four categories, the Grievance Committee may refuse to hear. If it involves a staff member, the committee might send it back to management to settle.

##### B-GM 6.4

Parties filing grievances have a right to confidentiality. If they want to tell everyone about it, that's their choice, as long as *they don't do it in a way that disrupts work at Fare Share*. The Grievance Procedure shall be conducted as confidentially as possible. Anyone serving on the Grievance Committee must agree to complete confidentiality. If a Grievance Committee member violates this agreement by divulging any information while a grievance is going on, s/he shall be barred from ever serving on a Grievance Committee again.

#### B-GM 6.5

The outside third party is probably being paid by the hour, the staff member of the Grievance Committee is being paid, and any employees called on to testify to the Grievance Committee will be paid for their time as well. The employee who files the grievance will not be paid for the time spent writing out the filing form, but s/ he will be paid for time spent testifying to the Grievance Committee.

Ten hours is a reasonable total of paid hours that Fare Share can pay for any one Grievance. Twenty hours is the maximum amount that Fare Share shall pay for without express instructions otherwise from the Board of Directors.

#### B-GM 6.6

Grievances shall be resolved as promptly as possible. Two weeks is desirable, and four weeks shall be considered maximum.

#### B-GM 6.7

Standing Grievance Committees shall follow these procedures:

1. Before filing a grievance, the person who feels unfairly treated must first attempt to resolve the problem directly with the person with whom the conflict exists.
2. If the situation is one that cannot be remedied through step 1, or if the problem involves the General Manager, the next step is for the employee to meet with the General Manager. A grievance can only be filed after the person has first tried to find a solution with the other party.
3. If the person is not satisfied with the response, a grievance is filed by completing a Grievance Filing Form and mailing it to the Fare Share Board President.
4. The Board President chooses the outside third party member of the Grievance Committee, and names that person as Chair of the Grievance Committee. The Board President informs both parties about the other two members of the Grievance Committee. The Board President then provides copies of the Grievance to all members of the Grievance Committee.
5. The Grievance Committee reviews the case to make sure that it falls into the established grounds for a grievance and to make sure that prior attempts to resolve the problem have been made. The Grievance Committee may not take on a case where an attempt at resolution has not been made.
6. The Grievance Committee meets with both parties, and others who may have relevant information, (e.g., those who observed an incident). Confidentiality will be expected and required of each person with whom the Grievance Committee has contact. The Grievance Committee meets privately and comes to a binding determination.

\*In cases of complaints of violations of existing policy, the Grievance Committee determines whether management has in fact violated the policy. If so, it sends the case back to management for a new decision in line with the policy.

\*In cases of complaint of inconsistent application of policy, the Grievance Committee will consider previous decisions and determine if in fact the policies have been applied inconsistently to different people in similar situations. If so, the Grievance Committee will delineate a course of action to management.

\* In cases of a complaint of an unfair situation for which there is no applicable policy, the Grievance Committee determines if the situation is in fact covered by existing policy, and if not, determines how this case can be handled and recommends a policy to management.

\* In cases where the fairness of an existing policy is questioned, the Grievance Committee researches the intent of the policy when adopted, determines whether or not it is unfair, and if so on what grounds, then determines how this case can be handled and recommends a change in policy to management.

\* Ideally the Grievance Committee will reach a unanimous decision within the time frame. If consensus cannot be reached, the decision can be made by a majority.

The Grievance Committee meets with both parties and decides what information if any will be made public to the staff and/or Board of Directors.

This policy will be monitored annually by internal report of a Board Member to the Board.

## ENDS POLICIES:

Ends Policies articulate the results that Fare Share aims to accomplish. Note: These policies were drafted by the Board who participated in Board PG Training in August 2003. They were then discussed at General Membership meetings in May 2004 and November 2005. Based on these discussions, two Board members revised their language and condensed 8 Ends into 4. The Board approved these revisions at their May 2005 meeting. A quorum of the General Membership discussed and approved these Ends on June 5, 2005.

ENDS 1: ACCESS TO PRODUCTS

ENDS 2: COOPERATIVE BUSINESS/SUSTAINABILITY

ENDS 3: COMMUNITY EDUCATION

ENDS 4: COMMUNITY CULTURAL CENTER

Note: Reports will be assigned to the nine Board Members (A-I) on a schedule published in January. Reports are due one week prior to the Board meetings.

POLICY TYPE: ENDS  
POLICY TITLE: ENDS 1: ACCESS TO PRODUCTS  
ADOPTED: June 5, 2005 (approved by general membership)  
LAST REVISED:  
Monitoring Report: Internal, at least annually, Board Member

ENDS 1: The Oxford Hills Community has access to affordable local and organic food and health-related products.

1.1 Fare Share Market offers natural, local, and organic products to meet the needs of a diverse community of members and non-members.

This policy will be monitored at least annually by internal reports by Board members.

POLICY TYPE: ENDS  
POLICY TITLE: ENDS 2: COOPERATIVE BUSINESS/SUSTAINABILITY  
ADOPTED: June 5, 2005 (approved by general membership)  
LAST REVISED:  
Monitoring Report: Internal, at least annually, Board Member

ENDS 2: Fare Share is a model of cooperative business and sustainability.

- 2.1 Fare Share Cooperative has active member/owners.
- 2.2 Fare Share Market operates with a balanced budget.
- 2.3 Fare Share Market supports local organic growers.

This policy will be monitored at least annually by internal reports by Board members.

POLICY TYPE: ENDS  
POLICY TITLE: ENDS 3: COMMUNITY EDUCATION  
ADOPTED: June 5, 2005 (approved by general membership)  
LAST REVISED:  
Monitoring Report: Internal, at least annually, Board Member

ENDS 3: Fare Share is an educational center for promoting the understanding of sustainability, nutrition, and wellness to the larger community.

This policy will be monitored at least annually by internal reports by Board members.

POLICY TYPE: ENDS  
POLICY TITLE: ENDS 4: COMMUNITY CULTURAL CENTER  
ADOPTED: June 5, 2005 (approved by general membership)  
LAST REVISED:  
Monitoring Report: Internal, at least annually, Board Member

ENDS 4: Fare Share is a community cultural center.

This policy will be monitored at least annually by internal reports by Board members.