



natural foods market & deli

Policy Register

Just Food: Northfield Community Co-op

Policy Register Contents

Last Revised 10/22/2019

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Policy Type:	Ends
Policy Title:	A – Global Ends
Last Revised:	07/23/2011

Just Food Co-op nourishes a Just, Healthy and Sustainable Community

- Justice – We strive for fairness in all our relationships in the community and throughout the supply chain.
- Health – We provide healthy, sustainably produced products, and we work to strengthen our local foodshed through ongoing support and partnerships.
- Sustainability – We work to build a resilient social, economic and ecological environment in our community and beyond.
- Education – We are a community resource for education and information about healthy, sustainable food and lifestyle.

We do this in context of being a financially viable, member-owned cooperative business.

Policy Type:	Executive Limitations
Policy Title:	B – Executive Constraint
Last Revised:	01/25/2007

The General Manager shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, in violation of the *Just Food Articles of Incorporation* or *Bylaws*, business and professional ethics or International Cooperative Principles

Policy Type:	Executive Limitations
Policy Title:	B1 – Employee Relations, Benefits and Compensation
Last Revised:	12/07/2010

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

B1.1 Operate without written personnel policies that:

- B1.1.1** Clarify rules for staff
- B1.1.2** Are accessible to all employees
- B1.1.3** Clarify performance expectations and conditions relating to continued employment
- B1.1.4** Provide the means to express concerns without repercussions
- B1.1.5** Provide for fair and thorough handling of grievances
- B1.1.6** Encourage and support employee development and advancement
- B1.1.7** Inform staff that employment is neither permanent nor guaranteed.

B1.2 Leave employees uninformed about the Co-op and its events

B1.3 Cause or allow personnel policies to be inconsistently applied.

B1.4 Cause or allow unjust or disrespectful treatment of employees.

B1.5 Provide for inadequate documentation, security and retention of personnel records and all personnel related decisions.

B1.6 Establish compensation and benefits that fail to consider:

- B1.6.1** The financial performance of the Coop while working towards the goal of providing a living wage to all employees
- B1.6.2** Internal equitability
- B1.6.3** An evaluation of employee performance.

B1.7 Change the GM's own compensation and benefits, except as his or her benefits are consistent with a package for all other employees.

This policy is monitored as specified in Policy C4.

Policy Type:	Executive Limitations
Policy Title:	B2 - Membership
Last Revised:	01/25/2007

The General Manager shall not cause nor allow members to be without a vital sense of ownership and belonging.

B2.1 The General Manager shall not cause nor allow inaccurate or outdated member records including names, addresses, equity payments, and eligibility for benefits and voting.

B2.1.1 The General Manager shall not cause nor allow unauthorized use of membership information.

B2.1.2 The General Manager shall not cause nor allow significant changing of member benefits without Board approval.

B2.2 The General Manager shall not cause nor allow insufficient opportunities for members to participate in the Co-op.

B2.3 The General Manager shall not cause nor allow non-current or inconvenient access to information on cooperatives, cooperative policy formulation, or cooperative decision-making by members or the community.

B2.4 The General Manager shall not cause nor allow more than two years to pass without assessing membership satisfaction with the Co-op and the degree to which the Co-op is responding to membership needs and desires.

This policy is monitored as specified in Policy C4.

Policy Type:	Executive Limitations
Policy Title:	B3 - Planning
Last Revised:	12/10/2008

With respect to planning operational and fiscal events including strategic planning, business planning and budgeting for all or any part of a fiscal period, the General Manager shall not cause nor allow financial risk, business jeopardy, material deviation from the Board's Ends Policies, or failure to derive projections from a multi-year plan within a long-term perspective.

B3.1 The General Manager shall not cause nor allow planning or budgeting that contains too little detail to enable reasonably accurate projection of:

B3.1.1 Revenues and expenses.

B3.1.2 Cash flow.

B3.1.3 A three year plan to enable repayment or renegotiation of debt on a timely basis.

B3.2 The General Manager shall not cause nor allow planning or budgeting that does not project income conservatively.

B3.3 The General Manager shall not cause nor allow planning or budgeting that is inconsistent with Board Policies when making allocations among competing needs.

B3.4 The General Manager shall not cause nor allow budgeting that provides less for Board prerogatives than is set forth in Policy D8: Cost of Governance.

B3.5 In planning the General Manager shall not fail to:

B3.5.1 Separate capital and operational items.

B3.5.2 Disclose planning assumptions and timing assumptions for capital expenditure projects.

B3.6 The General Manager shall not fail to prepare and present to the Board no later than the June meeting, the Business Plan for the upcoming year.

B3.7 The General Manager shall not fail to prepare and present to the Board no later than the June meeting, the budget for the upcoming year.

This policy is monitored as specified in Policy C4.

Policy Type:	Executive Limitations
Policy Title:	B4 – Financial Condition
Last Revised:	11/30/2012

With respect to the actual, ongoing financial conditions and activities, the General Manager shall not cause or allow the development of fiscal jeopardy which threatens the viability of the Co-op.

The General Manager will not:

- B4.1** Incur debt other reasonable and customary trade payables or other liabilities incurred in the ordinary course of doing business. The debt to equity ratio, calculated as Total Liabilities divided by Total Equity, is a commonly used measure of solvency. The benchmark that we use for this ratio is 1.75 or below.
- B4.2** Fail to maintain the ratio of Current Assets divided by Current Liabilities at a ratio of 1.25 or above.
- B4.3** Fail to settle contracts, payroll, loans or other financial obligations in other than a timely manner.
- B4.4** Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
- B4.5** Allow Sales or Net Income to fall below values contained in the latest Business Plan and Budget submitted to the Board.
- B4.6** Allow financial record keeping systems to be inadequate, out of conformity with GAAP, or inconsistent with recommendations made in an external review.
- B4.7** Fail to inform the Board of any internal or external changes that materially deviate from the Board's stated priorities, or Management's Business Plan and Budget, e.g. key variations in budgeted sales, gross margins, expenses, labor productivity ratio and profitability.
- B4.8** Authorize any expenditure that exceeds \$10,000 without co-signature of a designated authorized manager or Board member.
- B4.9** Cause nor allow any capital expenditure, the sale of any capital asset, or the finalization of any lease for capital equipment exceeding \$10,000 without prior Board approval.
- B4.10** Fail to review with the Board of Directors a quarterly summary update of the cash flow forecast, to ensure that projected cash flow is positive, and that cash and investment balances are adequate to meet all financial requirements for the future four quarters.

This policy is monitored as specified in C4.

Policy Type:	Executive Limitations
Policy Title:	B5 – Asset Protection
Last Revised:	10/22/2019

The General Manager shall not cause nor allow the Co-op's assets to be unprotected, inadequately maintained, or imprudently risked.

- B5.1** The General Manager shall not cause nor allow the Co-op to be in unreasonable jeopardy due to risk of direct physical loss because of inadequate business property and liability insurance.
 - B5.1.1** The General Manager shall not cause nor allow insurance coverage for the building (including tenant improvement to leased space and permanent fixtures) to be less than 100% of the current replacement cost.
 - B5.1.2** The General Manager shall not cause nor allow insurance coverage for other business personal property assets to be less than current replacement cost.
 - B5.1.3** The General Manager shall not cause nor allow the Co-op to operate without flood insurance.
 - B5.1.4** The General Manager shall not cause nor allow imprudent risk from business interruption due to insurable losses.
 - B5.1.5** The General Manager shall not cause nor allow imprudent risk from the use of an insufficiently insured employee auto in Co-op business activity.
- B5.2** The General Manager shall not cause nor allow failure to provide and properly maintain above adequate facility, equipment, technology knowledge and infrastructure including but not limited to negotiating leases and repairs.
- B5.3** The GM shall ensure that all released software upgrades are implemented as soon as feasible.
- B5.4** The General Manager shall not cause nor allow the use of controls insufficient to meet the Board appointed auditor's standards for receiving, processing, or disbursing funds.
 - B5.4.1** The General Manager shall not cause nor allow any financial transaction to be completed without a system that prevents misappropriation of the Co-op's assets.
 - B5.4.2** The General Manager shall not cause nor allow cash to be handled in an insecure manner.
- B5.5** The General Manager shall not cause nor allow abuse or misuse of the Co-op's assets.
 - B5.5.1** The General Manager shall not cause nor allow deviation from a set procedure and timeline to inventory Co-op property.
 - B5.5.2** The General Manager shall neither cause nor allow circumstances that incur unacceptable risk of theft, loss or damage to property.
 - B5.5.3** The General Manager shall not cause nor allow conflict of interest in purchasing.
 - B5.5.4** The General Manager shall not cause nor allow misuse or mishandling of member information and data including but not limited to customer credit card data.

Policy Type:	Executive Limitations
Policy Title:	B6 – Communication and Counsel to the Board
Last Revised:	05/26/2005

B5.6 The General Manager shall not cause nor allow Co-op funds to be deposited in financial institutions where they are not protected.

B5.7 The General Manager shall not cause nor allow unnecessary exposure of the Co-op, the staff, or the directors to lack of protection against claims of liability.

B5.8 The General Manager shall not cause nor allow the lack of preparedness to respond to emergencies or disasters, as outlined by an up-to-date and accessible Emergency Preparedness Plan.

B5.9 The General Manager shall not cause nor allow the endangerment of The Co-op's public image or credibility particularly in a manner that might hinder its pursuit of Ends Policies.

B5.10 The General Manager shall not cause nor allow any change to Co-op's name or significantly alter its identity including its logo unless by the specific direction of the Board.

Policy Type:	Executive Limitations
Policy Title:	B6 – Communication and Counsel to the Board
Last Revised:	05/26/2005

The General Manager shall not cause nor allow the Board to be uninformed or unsupported in its work.

B6.1 The General Manager shall not cause nor allow the submission of untimely, inaccurate, or incomplete information to the Board.

B6.2 The General Manager shall not cause nor allow the Board to lack monitoring data required to evaluate compliance with Board policies.

B6.2.1 The General Manager shall not cause nor allow the submission of a non-compliant report without an explanation and plan for response.

B6.2.2 The General Manager shall not cause nor allow the Board to be unaware of actual or anticipated non-compliance with Board policies even if the policy is not scheduled for monitoring.

B6.3 The General Manager shall not cause nor allow the Board to be unaware of relevant trends, Co-op public events, and material internal changes, particularly those that affect assumptions upon which Board policy has previously been established.

B6.4 The General Manager shall not cause nor allow the Board to be uninformed if, in the General Manager's opinion, the Board or one of its members is not in compliance with Board policy and the case is detrimental to the work of the General Manager or the relationship between the General Manager and the Board.

B6.5 The General Manager shall not cause nor allow a lack of investigation or research into facts and issues on matters about which the Board has requested information or a report.

B6.5.1 The General Manager shall not cause nor allow the Board to lack diverse viewpoints for fully informed Board decisions, including staff and external points of view, issues, and options.

This policy is monitored as specified in Policy C4.

Policy Type:	Executive Limitations
Policy Title:	B7 – Management Continuity
Last Revised:	05/26/2005

The General Manager shall not cause nor allow failure to ensure management continuity in planned and unplanned conditions.

B7.1 The General Manager shall not cause nor allow inadequately trained person(s) to manage the store in an emergency, until such time as the Board can authorize a temporary or permanent General Manager replacement.

B7.1.1 The General Manager shall not cause nor allow the Board to be uninformed about the designated person(s).

B7.2 The General Manager shall not cause nor allow undocumented systems and procedures that result in the designated person(s)' inadequate access to information needed to meet the Co-op's obligations in a planned or emergency General Manager absence.

This policy is monitored as specified in Policy C4.

Policy Type:	Executive Limitations
Policy Title:	B8 – Customer Service and Value
Last Revised:	01/25/2007

The General Manager shall not cause nor allow circumstances resulting in customers not receiving high value products and services.

- B8.1** The General Manager shall not cause nor allow establishment of product selection guidelines without including customer demand and market trends as criteria.
- B8.2** The General Manager shall not cause nor allow the Co-op to offer limited product choice and unbalanced product information to customers.
- B8.3** The General Manager shall not cause nor allow dishonest and inaccurate merchandising and marketing practices.
- B8.4** The General Manager shall not cause nor allow the absence of programs and materials that educate consumers about healthy choices, responsible consumption and sustainable living.
- B8.5** The General Manager shall not cause nor allow customer opinions to be ignored including product requests, preferences, complaints and suggestions.
- B8.6** The General Manager shall not cause nor allow customer data to be misused or to be accessible for unauthorized purposes.

This policy is monitored as specified in Policy C4.

Policy Type:	Board –General Manager Relationship
Policy Title:	C-Board-Management Connection
Last Revised:	05/26/2005

The Board's only official connection to the operational aspects of the Co-op, its achievements and conduct will be through the General Manager.

Policy Type:	Board-General Manager Relationship
Policy Title:	C1 – Unity of Control
Last Revised:	05.26.2005

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

C1.1 Decisions or instructions of individual Board members, officers, or committees are not binding on the General Manager except in the rare instances when the Board has specifically authorized such exercise of authority.

C1.2 In the case of Board members or committees requesting information or assistance without Board authorization, the General Manager can refuse such requests that in the General Manager's opinion require a material amount of staff time, funds or are disruptive.

Policy Type:	Board General Manager Relationship
Policy Title:	C2 – Accountability of the Manager
Last Revised:	05/26/2005

The Board holds the General Manager accountable for the operation and management of the Co-op in accordance with the Board's policies. As far as the Board is concerned, the General Manager has all authority and accountability for staff.

- C2.1** The Board will never give direction to persons who report directly or indirectly to the General Manager.
- C2.2** The Board will refrain from evaluating either formally or informally any staff other than the General Manager.
- C2.3** The Board will view General Manager performance as identical to organizational performance. Organizational accomplishment of Board Ends Policies and compliance with Board Executive Limitations Policies will be viewed as successful General Manager performance.

Policy Type:	Board General Manager Relationship
Policy Title:	C3 – Delegation to the General Manager
Last Revised:	05/26/2005

The Board will instruct the General Manager through written Board Ends and Executive Limitations Policies. The Board will allow the General Manager to use any reasonable interpretation of Ends and Executive Limitations Policies.

- C3.1** Ends Policies: The Board will develop Ends Policies instructing the General Manager to achieve certain results for the benefit of certain people, not to exceed a specified cost.
- C3.2** Executive Limitations Policies: The Board will develop Executive Limitations Policies that describe organizational situations and actions to be avoided. Executive Limitations Policies limit the latitude the General Manager may exercise in choosing the means by which the organization will achieve its ends.
- C3.3** Reasonable Interpretation Authority: As long as the General Manager uses a reasonable interpretation of the Board's Ends and Executive Limitations Policies, the General Manager may make all further policies and decisions, take all actions, establish all practice and develop all activity.
- C3.4** Policy Changes: The Board may change its Ends Policies and its Executive Limitations Policies, thereby shifting the boundary between the Board and the General Manager. By making policy changes, the Board changes the latitude of choice given to the General Manager.
 - C3.4.1** Policy change compliance date: When making a policy change, the Board will specify the expected compliance date.
 - C3.4.2** Policy compliance prior to change: As long as any particular delegation is in place, the Board will respect and support the General Manager's choices and actions that comply with the policy.

Policy Type:	Board General Manager Relationship
Policy Title:	C4 – Monitoring General Manager Performance
Last Revised:	01/15/2014

The General Manager's job performance is systematically, rigorously and solely monitored against expected General Manager's accomplishment of Board Ends Policies and operation within the boundaries established by Board Executive Limitations Policies.

- C4.1** Monitoring determines the degree to which Board policies are being observed. Only information demonstrating the degree of compliance is considered monitoring data.
- C4.2** The Board acquires monitoring data by one or more of three written reporting methods.
- C4.2.1** Internal report: The General Manager provides policy compliance information to the Board.
 - C4.2.2** External report: The Board chooses an external, disinterested, third party to assess and report policy compliance information directly to the Board.
 - C4.2.3** Direct inspection: A designated Board member(s) assesses and reports policy compliance information to the entire Board.
- C4.3** For each Board policy being monitored, the standard for compliance is any reasonable interpretation made by the General Manager.
- C4.4** There are two methods for measuring compliance with Board policies.
- C4.4.1** When policies require full compliance for effective operation of the organization, monitoring reports provide a Yes/No answer with summary information. These policies are often financial in nature, or clearly describe recognizable boundaries that may not be crossed.
 - C4.4.2** When policies are visionary in nature, measuring incremental progress towards long-term outcomes is appropriate. Monitoring reports establish 1) a baseline or history for comparison, 2) a reliable and credible measuring technique, and 3) a short-term target of twelve months or less. These policies are often Ends policies.
- C4.5** The Board chooses the frequency and method used to monitor each policy that instructs the General Manager. The Board ordinarily depends upon a routine schedule developed annually in advance by the General Manager and approved by the Board. The Board can monitor any policy at any time by any method.
- C4.5.1** The monitoring frequency, methods and due dates are as follows:

Policy Type:	Board General Manager Relationship
Policy Title:	C4 – Monitoring General Manager Performance
Last Revised:	01/15/2014

Policy	Policy Title	Frequency	Method	When due
A.	Ends	Annual	Internal	August
B1	Employee Relations, Benefits, and Comp.	Annual	Internal	July
B2	Membership	Annual	Internal	March
B3	Planning	Annual	Internal	June
B4	Financial Condition	Quarterly	Internal	February, May, August, December
		Quintennial	External	2020
B5	Asset Protection	Annual	Internal	October
B6	Communication and Counsel to the Board	Annual	Direct	January
B7	Management Continuity	Annual	Internal	April
B8	Customer Service and Value	Annual	Internal	September

C4.6 General Manager Evaluation: General Manager Evaluation is an ongoing continuous process of policy monitoring. The Board evaluates the General Manager only on issues for which it has a written policy and on all issues for which it has written policy. The Board conducts an annual summary evaluation of the General Manager. The evaluation is a compilation and review of compliance and non-compliance with Board policy as reported in Ends and Executive Limitations monitoring reports presented to the Board throughout the year.

C4.6.1 The Board decides the General Manager's compensation after a review of monitoring reports developed for the past 12 months.

C4.6.2 At the end of the annual reporting cycle, the General Manager may submit additional data updating the monitoring of any policy and may suggest changes in policy, however, performance will be compared to existing policy, not proposed policy.

Policy Type:	Board Process
Policy Title:	D6 – Governance Commitment
Last Revised:	05/26/2005

On behalf of the Co-op's membership, the Board has two purposes: 1) to act as trustee for the member-owners; 2) to ensure the Co-op achieves appropriate results for appropriate people at an appropriate cost (Ends) and avoids unacceptable actions and situations (Executive Limitations).

Policy Type:	Board Process
Policy Title:	D1 – Governing Philosophy
Last Revised:	04/24/2008

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. Focus on the future with the benefit of learning by reflecting on the past and present;
7. Pro-active rather than reactive leadership and decision making.

D1.1 The Board as a group is responsible for excellence in governance. The Board uses expertise of individual Board members to enhance the abilities of the Board as a body. Individual judgments may not be substituted for Board values. The Board as a whole is responsible for fulfilling Board commitments. Therefore, the Board allows no officer, individual, or committee of the Board, to hinder, to take inappropriate initiative, or to be an excuse for not fulfilling Board commitments.

D1.1.1 Each Board member shares responsibility for effective Board leadership.

D1.1.2 Each Board member's responsibilities include meeting preparation and attendance, active participation, and support and enforcement of board process policies.

D1.1.3 The Board initiates policy and does not merely react to staff initiatives.

D1.2 The Board directs, controls and inspires the Co-op through careful establishment of broad written policies reflecting Co-op values and perspectives.

D1.2.1 The Board focuses chiefly on intended long-term objectives (Ends) not on the administrative or operational means of attaining those objectives.

D1.2.2 The Board enforces upon itself the discipline necessary to achieve excellence in governance. Discipline applies to matters such as policy-making principles, respect of roles, and continuance of governance capability.

D1.2.3 The Board ensures that Board development includes orientation of new Board members in Board process.

D1.2.4 The Board monitors and discusses Board process and performance at least annually, including comparison of Board activity and discipline regarding policies in Board-General Manager Relationship and Board Process.

Policy Type:	Board Process
Policy Title:	D2 – Board Role
Last Revised:	12/10/2008

The role of the Board is to formulate policy and monitor compliance to represent the needs and values of the membership.

D2.1 The Board provides and maintains a link between the Co-op and member-owners.

D2.2 The Board enacts written policies to guide the organization in four areas:

- Ends
- Executive Limitations
- Board-General Manager Relationship
- Board Process

D2.3 The Board assures performance by monitoring compliance with Board policies.

D2.3.1 The Board assesses the General Manager's performance by monitoring Board policies on Ends and Executive Limitations.

D2.3.2 The Board assesses its own performance by monitoring policies on Board Process and Board-General Manager Relationship.

D2.3.3 The Board appoints an auditor at least every five years, or as required. The Board receives the audit report directly from the auditor.

D2.4 The Board carries fiduciary responsibility for the Co-op on behalf of its member-owners.

The Board accomplishes such responsibility through its acceptance and oversight of Management's budget, business plan, and debt repayment plan all of which are in compliance with the Ends Policy.

D2.5 The Board ensures its perpetuation by providing effective leadership over time, irrespective of individual Board members. The Board accomplishes its perpetuation through recruitment, election and development of skilled, committed and motivated member-owners.

D2.5.1 The Board identifies and recruits qualified and skilled Board member candidates throughout the year for appointment as needed and for future elections.

D2.5.2 The Board seeks and screens Board member candidates according to the following criteria:

- Dedication to the Co-op, its member-owners and its mission;
- Propensity to think in terms of systems and contexts;
- Honesty, independent judgment, and courage;
- Ability and eagerness to deal with values, vision and the long term;
- Ability and willingness to participate assertively in discussions and to abide by Board decisions and the intent of established policies;
- Willingness to function in a group decision-making environment, to share power in group process, and to delegate areas of decision-making to others.

Policy Type:	Board Process
Policy Title:	D2 – Board Role
Last Revised:	12/10/2008

D2.5.3 The Board presents a group of qualified Board member candidates to member-owners. The Board provides opportunities for member-owners to learn about Board member candidates.

D2.5.3.1 The Board provides a self-nomination process for Board member candidacy supported by member-owners.

D2.5.4 The Board plans, oversees, and ensures a fair election process accessible to the member-owners.

D2.5.5 The Board may delegate these tasks to a task force or committee, but the full Board remains responsible its perpetuation.

Policy Type:	Board Process
Policy Title:	D3- Calendar and Agenda Planning
Last Revised:	12/10/2008

To accomplish its job with a governance philosophy consistent with Board policies, the Board will follow an annual agenda that 1) annually re-explores Ends and links with member-owners, 2) continually improves Board performance through Board education, 3) ensures efficient use of Board meeting time, 4) affords opportunity for quality discussion, and 5) ensures rigorous monitoring.

D3.1 The Board's annual governance cycle starts following the January organization meeting with the development of its calendar for the next calendar year. The Board calendar includes all Board events such as membership meetings, Co-op events, Board training, monitoring schedule, and review of specific policies. The Board reviews the calendar on a regular basis.

D3.2 At the end of each Board meeting, the Board's current policy discussion and the annual calendar provide the basis for determining the broad outlines of the next meeting's agenda. The Board determines the agenda by using the following process:

D3.2.1 In preparation for the next meeting, Board members review the scheduled policy areas and consider points to add, modify, or delete. The President solicits comments and recommendations re upcoming policy areas and designated agenda topics, determines relevancy and priority for discussion, and produces an agenda for the next Board meeting. Other items that require Board attention may also be included.

D3.2.2 The President includes General Manager monitoring reports in the packet and on the agenda for Board discussion and action.

D3.2.3 The President includes informational reports/reference materials in the preparatory packet. Discussion of informational reports/reference materials may be included on the agenda if a Board member makes a request or if the President determines discussion to be relevant or necessary.

D3.2.4 The President includes the agenda, relevant written statements, and reports in the Board packet distributed to the Board one week prior to the next meeting.

D3.2.5 The Board may modify the distributed agenda at the beginning of the next meeting.

D3.3 The Board decision-making process may be based on consensus or the use of Robert's Rules of Order depending on the scope of the topic and the desire of the Board.

Policy Type:	Board Process
Policy Title:	D4 – President’s Role
Last Revised:	12/21/2006

The President ensures Board compliance with its policies and represents the Board to outside parties as appropriate.

- D4.1** The President ensures that the Board functions effectively, follows its own policies, and adheres to obligations legitimately imposed upon the Board from outside the Co-op.
- D4.2** The President may make decisions on behalf of the Board that fall within or are consistent with Board policies on Governance Process and on the Board-General Manager Relationship. The President is authorized to use a reasonable interpretation of the policies.
 - D4.2.1** The President’s authority does not extend to making decisions or interpreting Ends and Executive Limitations policies, each of which is within the purview of the General Manager.
 - D4.2.2** The President’s authority does not extend to supervising, terminating, or otherwise directing the General Manager.
 - D4.2.3** The President is the primary contact to communicate official Board positions to the General Manager.
- D4.3** The President chairs Board meetings with all the power of the position as defined by the Board’s accepted decision-making processes.
 - D4.3.1** The Board only discusses issues defined by Board policy as clearly belonging to the Board to decide, not to the General Manager.
 - D4.3.2** Deliberation will be timely, fair, orderly, thorough, and according to the Board’s accepted decision-making processes. Discussion will be efficient, limited to time and kept to the point.
- D4.4** The President ensures a smooth transition to the next President.
 - D4.4.1** The President ensures sufficient documentation and organization of Board practices.
 - D4.4.2** The President prepares the Vice President, or other designated Board member, to be qualified to serve as President in emergency or planned succession.
- D4.5** The President may delegate this authority but remains responsible for its use.

Policy Type:	Board Process
Policy Title:	D5 – Board Members’ Code of Conduct
Last Revised:	12/17/2010

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

D5.1 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 Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

D5.2 Directors must demonstrate unconflicted loyalty to the interests of the Cooperative’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.

D5.2.1 A There will be no self-dealing or any conduct of private business or personal services between any director and the Cooperative except as procedurally controlled to assure openness, competitive opportunity and equal access to “inside” information.

D5.2.2 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 vote.

D5.2.3 A director who applies for employment must first resign from the Board.

D5.2.4 Any director who is also a paid employee has the same duties and responsibilities as any other director, and has the additional duty of clearly segregating staff and Board responsibilities.

D5.2.5 If a Board member who is also a paid employee becomes subject to employee performance concerns such as written warnings or probationary status due to substandard performance of his/her duties at the Co-op, the President has the discretion to require that the Board member take a leave of absence from the Board until his/her performance improves and s/he is no longer subject to said performance concerns

D5.3 Directors may not attempt to exercise individual authority over the organization.

D5.3.1 When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.

D5.3.2 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.

D5.3.3 Board members will make no judgments of the General Manager’s performance except as that performance is assessed against explicit Board policies by the official process.

Policy Type:	Board Process
Policy Title:	D5- Board Members' Code of Conduct
Last Revised:	12/17/2010

D5.3.4 Board members will make no judgments of staff performance.

D5.3.5 Neither the Board nor any individual as a Board member may attempt to influence staff regarding store business.

D5.4 An individual Board member shall maintain confidentiality to protect the Co-op's interests and financial viability and must continue to honor confidentiality after leaving Board service.

D5.5 Directors will prepare for and regularly attend Board meetings and trainings.

D5.6 An individual Board member may disagree with a policy approved by or action taken by the majority of the Board. However, once action is taken s/he will support that policy or action as being the considered judgment of the Board.

D5.7 Any Board member who does not follow the Board conduct policy shall resign from the Board voluntarily or if requested to do so by a 2/3 vote of the remaining Board.

D5.8 All directors annually at the Organizing Meeting, and a new director at his/her first board meeting, will complete the Board Responsibilities, Expectations and Statement of Agreement document. Any subsequent potential conflicts will be reported to the whole board immediately.

Policy Type:	Board Process
Policy Title:	Board Committee Principles
Last Revised:	12/07/2010

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

D6.1 Committees will reinforce and support the work of the Board as a whole.

D6.1.1 Authority granted to Board committees will be carefully documented in the board minutes and will not conflict with authority delegated to the General Manager.

D6.1.2 In particular, committees help the whole Board move forward when they research alternatives and bring back options and information.

D6.2 Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.

D6.3 Any Board committee members not already a board member must abide by board policies.

Policy Type:	Board Process
Policy Title:	Relation to Member-owners
Last Revised:	05/26/05

Since the Board obtains its authority from and is accountable to member-owners, the Board will maintain a credible and continuing link with them.

D7.1 The Board has fiduciary and legal responsibility to member-owners.

D7.2 The Board shall always act in the best interest of the Co-op as a whole.

D7.2.1 To make informed policy decisions, the Board must understand the values and needs of member-owners by soliciting adequate and appropriate information from them.

D7.3 The Board shall communicate with member-owners on its role, its activities, and its decisions.

D7.3.1 The Board will build and sustain a sense of ownership, pride, and loyalty among member-owners through its delegation as stated in Policy B9 Membership and monitoring of compliance to that Policy.

D7.3.2 The Board will ensure effective communication of the vision and mission of the Co-op to member-owners.

D7.4 The Board will ensure that distribution of patronage refunds takes into consideration the Co-op's need for adequate capital.

D7.5 The Board is accountable to member-owners and will ensure that the Co-op meets all requirements of law and bylaws for its relationship with member-owners.

D7.5.1 The Board will hold an annual meeting and prepare a written annual report to member-owners.

D7.5.2 At least annually, the Board will disseminate a statement of its values, a report of the Co-op's financial resources, and a summary of the services and benefits provided to member-owners.

D7.6 The Board ensures bylaws are current, complied with, and meet the needs of the Co-op. The Board proposes bylaw amendments to the member-owners for approval as needed.

Policy Type:	Board Process
Policy Title:	D8 – Cost of Governance
Last Revised:	5/26/2005

The Board will invest in learning to govern well.

D8.1 Board skills, supports, and methods will be sufficient to ensure excellent governance.

D8.1.1 Education and training will be used liberally to orient potential or new Board members, as well as to maintain and increase skills and understanding of existing Board members. This includes but is not limited to the use of consultants, attendance at conferences, purchase of resources, and workshops.

D8.1.2 Outside monitoring assistance will be arranged as needed so the Board can exercise confident control over the Co-op's performance. This includes but is not limited to fiscal audits and external monitoring of Board policy.

D8.1.3 Outreach such as surveys, forums, focus groups, and an annual meeting will be used to link the Board to member-owners' viewpoints and values.

D8.1.4 Board administrative support will be provided as needed.

D8.1.5 Board perpetuation costs, such as recruitment and election costs, will be expended.

D8.2 Costs will be incurred prudently, though not at the expense of endangering the development and maintenance of superior governance capabilities.

D8.2.1 The Board may spend up to 1% of the Co-op's gross income in any fiscal year for the costs of governing with excellence.

Appendices

Appendix A: Privacy Policy

Protecting your privacy is important to Just Food. We hope the following policy will help you understand how we collect, use, and safeguard your personal information.

Privacy Statement

Just Food considers your personal information private. Personal information we collect from you includes your name, address, phone number, and email address and may be used for purposes related to your Co-op membership.

Other than as necessary for work with our business partners or as required by law, we do not share individuals' personal information with other organizations; we may, however, share data in aggregate form (i.e., collective information not tied to individuals). Personal information is made available to Co-op staff and volunteers working on specific tasks requiring this information.

If you provide Just Food with your email address, Just Food may send you email messages directly related to your Co-op membership. You may update or remove your email address from our records at any time by visiting the Just Food web site or by contacting Member Services.

Just Food may offer email lists for distributing messages regarding non-membership-specific topics. Because we value your right to choose whether or not to receive these messages, you are **not** automatically subscribed to receive these messages. You may add or remove your email address from these lists at any time by visiting the Just Food web site.

Web Site Privacy

Our web server tracks website usage, however, we do not link any of the information it collects to anything personally identifiable.

Just Food is committed to data security to prevent unauthorized access, maintain data accuracy, and ensure the appropriate use of personal information. While we strive to protect your personal information, we cannot ensure the security of the information you transmit to us over the web. Currently, information you submit to us on our web site is **not** done in a secure fashion.

Any information entered on third-party web sites is subject to that third-party's privacy policies. (For example: PayPal, who handles online membership payments for us, has its own privacy policy; PayPal also supports secure transfer of your credit card information.)

Just Food's Privacy Policy is subject to change at any time. Just Food will provide notice 30 days prior to implementing any major changes to our privacy policy.

Appendix B: Pertains to Policy D5: Board Members Code of Conduct

Responsibilities of Just Food Co-op Board Members

*Please read carefully and thoughtfully; **check each item** to indicate that you are willing to take on these responsibilities. In general, members of a co-op Board of Directors have the same duties as the Directors of any business. In addition, co-op Boards must act on behalf of Just Food Co-op's member-owners (as fiduciaries), meaning that individual Directors have to balance individual interests, business interests, and member interests when making decisions. To do this, Directors must be able to:*

_____ Uphold fiduciary duty on behalf of Just Food's member-owners

_____ Exercise due diligence in monitoring Just Food's financial condition

_____ Abide by all items contained in the Statement of Agreement, which includes the Code of Ethics, Code of Conduct, and Conflict of Interest policy (last two pages of this packet)

_____ Maintain confidentiality when required

_____ Faithfully honor all legal obligations that come with Directorship, which include the:

_____ Duty of care (make informed decisions in good faith; act as a prudent person; use a good process for decision making; be honest; ensure adequate record keeping)

_____ Duty of loyalty (always act in the best interest of the cooperative's member-owners; disclose and avoid conflicts of interest; engage in no self dealing; maintain confidentiality)

_____ Duty of Attention/Diligence (attend meetings; participate in discussions; be prepared; review materials; ask questions; know and adhere to state laws and the co-op's Bylaws; support Board decisions and policies; honor contracts; ensure payment of all tax obligations)

Expectations of Board Members

*Please read carefully and thoughtfully; **check each item** to indicate that you are willing to meet the expectation.*

_____ Shop at Just Food.

_____ Be prepared for meetings, including reading – carefully and thoughtfully – the agenda packet in advance of every Board meeting.

_____ Participate fully in Board meetings. Regularly attend, as defined in the bylaws, monthly meetings, as well as any meetings of committees you may serve on. Special projects may require more time commitment.

_____ Actively participate in Board discussion via email or phone between meetings as necessary.

_____ Attend Board Orientation.

_____ Attend member-owner gatherings and other special events.

_____ Actively participate in the annual election including any get-out-the-vote activities that may be scheduled.

Statement of Agreement

I. Code of Ethics

The Board of Directors of the Just Food Cooperative adopts the following Code of Ethics to clarify any uncertainty regarding the authority of the Board of the individual Directors. This Code of Ethics is intended to clarify the expectations set forth in Policy D5, Board Members' Code of Conduct and is proposed to create greater unanimity and closer coordination between Directors and among Directors, the General Manager, and employees.

To that end, we, the Directors of the Just Food Co-op, agree that:

1. The **Board's authority** is limited to overseeing the affairs of the cooperative in a manner consistent with Policy Governance. To do this, we employ a General Manager to be responsible for the overall and day-to-day management of the business under the oversight of the Board and we work with the General Manager to set the future direction of the co-op. We are also responsible for carrying out other duties as provided by the Bylaws or by general or specific corporate laws.
2. Each **Director's authority** is equal only to the rights and authority of any individual owner of the cooperative except when the Board is in formal meeting. No individual Director may take action on behalf of the cooperative alone unless explicitly delegated that authority by action of the Board, and no individual Director has any particular rights to information not made available to all Directors.
3. The **authority of the General Manager**, as approved by the Board in the General Manager's job description, 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.
4. While Directors may **disagree** with a policy approved by or action taken by the majority of the Board, they will support that policy or action as being the considered judgment of the Board. 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 actions appropriately.
5. All Directors will maintain **confidentiality** as needed to protect the co-op's interests and financial viability. This means that all Directors shall not discuss confidential corporate actions, policies, or issues with the co-op's member-owners, employees or the general public unless all Directors agree that such information is no longer confidential. Board meeting packets and all issues related to personnel, real estate, market strategy and goals, pending litigation, and details of the co-op's financial status will be considered sensitive issues subject to confidentiality unless or until full disclosure is approved by the Board as a whole.
6. Directors **serve as representatives of the cooperative**. We shall conduct ourselves in a professional manner that fosters confidence and reflects positively on the co-op, its member-owners, and its staff. We respect the rights of others - Directors, staff and member-owners - to communicate their ideas free from interruption and without intimidation.

II. Code of Conduct

As a co-op Director, I pledge to do my best for Just Food Co-op and will:

1. Devote the time needed to fulfill the responsibilities of the position;
2. Attend and actively participate in the Board's training sessions and annual planning retreat to enhance Board understanding and cohesiveness;
3. Consider the business of the co-op and its member-owners to be confidential in nature;
4. 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;
5. 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 member-owners;
6. Work for continued and increased effectiveness in the co-op's ability to serve its member-owners;
7. Be a team player and agree to abide by the majority action of the Board, even if it is not my own personal opinion;
8. Present the agreed-upon view of the Board of Directors, rather than my own, when I speak for the co-op to employees, member-owners, shoppers, and the general public;
9. Refrain from asking for special privileges as a Board member and from interfering with management's authority;
10. Work to ensure that the co-op is controlled in a democratic fashion by its member- owners and that all elections are open, fair, and encourage the participation of all member- owners;
11. Strive at all times to keep member-owners informed of the co-op's status and plans, and of the Board's work, as appropriate;
12. Continually seek to learn more about the co-op and its operations and about my responsibilities as a Board member by pursuing educational opportunities.

III. Conflict of Interest

I affirm that, to the best of my knowledge, neither I, nor any of my affiliates (hereinafter defined) have any financial or other personal interest, direct or indirect, that is incompatible with the proper discharge of my fiduciary duties as a member of the Board of Directors of Just Food Co-op or would tend to impair my independence, judgment or action in performance of my duties as Director, except as described below. I further affirm that, to the best of my knowledge, neither I nor any of my affiliates is an officer or managing agent of any municipal, state, federal, or private granting or contracting entity that provides or receives funds or other benefits to or from Just Food Co-op, except as described below. As used herein, I understand the term "affiliate" to mean any relative, business or professional partner or associate, or other person or entity (including without limitation any corporation or partnership in which I have a personal or financial interest) with whom I have any significant relationship.

Conflict Disclosure:

As a co-op Director, I agree to abide by this Statement of Agreement. I agree that if, in the opinion of the majority of co-op Directors, I have violated the letter or spirit of this agreement that I shall resign my position on the Board immediately.

Printed Name of Just Food Director

Signature of Just Food Director

Date