

# Tidal Creek Cooperative Market

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# Policy Type: Ends

## Policy Title: 1.0 Mission Statement

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We are dedicated to serving and connecting with our community through a thriving natural foods cooperative business.

# Policy Type: Ends

## Policy Title: 1.1 Vision Statement

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Our vision is to foster and nourish health of the individual, community and planet by offering:

- High quality natural and organic foods and other environmentally sound products.
- A comfortable and affordable place to shop and share knowledge.
- Education and training to help people make informed choices toward well-being.
- A sustainable economic model, which invests in the local and cooperative communities.

# Policy Type: Ends

## Policy Title: 1.2 Statement of Ends

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Above all else Tidal Creek Cooperative Food Market is a cooperative dedicated to its owners and the community. Recognizing this priority will alter the ends of the business as the needs of the ownership change. Presently the needs of the ownership require:

1. Providing whole, natural, high quality food.
2. All operations performed in accord with the international cooperative principles:
  - Open and voluntary membership.
  - Democratic member control.
  - Owner economic participation.
  - Autonomy and independence.
  - Education, training and information.
  - Cooperation among cooperatives.
  - Concern for community.
3. An efficiently run business that provides competitively priced products and yields a patronage refund to owners in surplus years.

4. Work for the sustainable development of our community through policies inline with our mission and vision.
5. Support for locally owned organizations, businesses, farms and cooperatives whose work is in line with Tidal Creek's mission and vision.

## Policy Type: Ends

### Policy Title: 1.3 Goals

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1. **Friendly Store Atmosphere:** The Co-op will create a welcoming environment for shoppers and provide excellent customer service. We will encourage communication by seeking suggestions for improvement from owners and customers and addressing them in a timely manner.
2. **Informed, Active Ownership:** The Co-op will deliver specific and tangible benefits to its owners. We will encourage owners to develop strong personal and financial commitments to the Co-op.
3. **Supportive, Beneficial Work Environment:** The Co-op will ensure that staff members receive fair compensation for their labors. We will provide training and opportunities for staff to increase their skills and work to minimize turnover, increase job satisfaction, and provide for the changing needs of the cooperative.
4. **Education for Consumers and Community:** The Co-op will provide shoppers with information about products, their ingredients, and their origins. We will educate our community about cooperative principles, values and the cooperative business model.
5. **Support for Regional, Cooperative and Organic Products:** The Co-op will purchase from local, cooperative, and organic producers preferentially. We will lend our support to these endeavors to encourage their development.
6. **Concern for the Environment:** The Co-op will promote conservation of resources and wise stewardship of the planet's natural systems in its operations and product selections. We will encourage the use of alternate transportation and renewable energy whenever possible.
7. **Model for Active Citizenship and Social Change:** The Co-op will be a resource for food, health and ecological issues. We will promote a transformation of society toward cooperation, equality, justice and non-exploitation. We will also support our owners in pursuing these values in other areas of the community.
8. **Economic Sustainability:** The Co-op will use its owners' assets to realize the cooperative's values and meet its owners' needs. We will operate the Co-op in a sound and prudent manner that protects solvency and provides for the long-term viability of the cooperative.
9. **Model for Sustainable Economics:** The Co-op will provide a model for sustainable local economics, incorporating local growers, craftspeople and other local businesses/cooperatives into the ownership. We will also encourage staff members to participate fully in the cooperative by becoming owners.

10. **Model for Compassion and Non-Violence:** Without being judgmental of individual preferences, the co-op will strive to reduce the suffering of animals in the meat, dairy, egg and product testing industries. We will do this by educating consumers about the negative aspects of these processes and by only promoting cruelty-free options.

## Policy Type: Ends

### Policy Title: 1.4 Values Statements

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1. *We Value an Inclusive and Progressive Cooperative.* Our cooperative is a friendly and inviting place that makes a difference in the lives of those who work and shop here. We respect the diversity, individual beliefs and choices of owners, staff and potential owners. We seek to provide a supportive environment that incorporates customer input and furthers the goals of our business as it fosters individual growth.
2. *We Value an Educated Constituency.* We believe educated consumers make informed choices. We seek to educate ourselves, provide information, and develop shared knowledge and wisdom. We recognize that knowledge is the key to responsible decision making and that it assists members in preparing for a healthful life.
3. *We Value Participatory Decision Making.* We believe that open communication and owner involvement are integral to democratic decision making. We recognize that owners have different motivations, need and expectations. Thus we encourage owners to participate at a level and on the issues they choose.
4. *We Value Resource Allocation According to Co-op Principles.* We use our dollars to balance good value to our customers, the long-term economic health of our organization, and our social and economic responsibility to the community. Surplus from our business is returned to owners and used to improve and strengthen our business and the cooperative community.
5. *We Value Products That Reflect Thoughtful Choices.* Our products offer an alternative to that which is found in conventional grocery stores. We strive to provide the most complete selection of natural and organic foods, dietary specialty foods, and wellness products in the region with an emphasis on freshness, local production, quality, competitive price and value.
6. *We Value Our Relationship with the Greater Community.* We seek to be a model of an environmentally aware, socially just, community based business by integrating our values and beliefs into all our interactions. We play an active role in the local community and have a responsibility to educate that community about co-ops and cooperative principles. As a part of the greater cooperative community we work to strengthen and support other cooperatives.

# Policy Type: Executive Limitations

## *Policy Title: 2.0. Global Executive Constraint*

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The General Manager (GM) shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices.

# Policy Type: Executive Limitations

## **Policy Title: 2.1. Treatment of Consumers**

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With respect to interactions with consumers, the GM shall not cause or allow conditions, procedures, or decisions that are discriminatory, disrespectful, unsafe, undignified, unnecessarily intrusive or fail to provide appropriate confidentiality and privacy.

Further, without limiting the scope of the previous statement by the following, the GM shall not

1. Elicit information for which there is no clear necessity
2. Use methods of collecting, reviewing, transmitting, or storing consumer information that fail to protect against improper access to the information elicited
3. Fail to inform consumers of how information that is gathered from them may be used
4. Fail to operate facilities with appropriate accessibility
5. Fail to establish with consumers a clear understanding of what may be expected and what may not be expected from the service offered
6. Fail to inform consumers of this policy or to provide a way to be heard for persons who believe they have not been accorded a reasonable interpretation of their protections under this policy
7. Fail to provide for a safe and pleasant shopping experience for our customers.

# Policy Type: Executive Limitations

## Policy Title: 2.2. Treatment of Staff

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With respect to the treatment of paid staff, the GM shall not cause or allow conditions, procedures or decisions that are discriminatory, disrespectful, unfair, unsafe, undignified, disorganized or unclear, unnecessarily intrusive or that fail to provide appropriate confidentiality and privacy.

Further, without limiting the scope of the previous statement by the following, the GM shall not

1. Operate without written personnel rules that (a) clarify rules for staff, (b) provide for effective handling of grievances, and (c) protect against wrongful conditions
2. Operate outside of written work safety policies and procedures
3. Discriminate against any staff member for nondisruptive expression of ethical dissent
4. Fail to acquaint staff with the GM's interpretation of their protections under this policy
5. Allow staff to be unprepared to deal with emergency situations
6. For paid staff, cause or allow a decision-making standard that is not transparent or does not allow for opportunity to participate in decisions and shape the guidelines for decisions.
7. Prevent staff from grieving to the board when (a) internal grievance procedures have been exhausted and (b) the employee alleges either (i) that board policy has been violated to his or her detriment or (ii) that board policy does not adequately protect his or her human rights.

# Policy Type: Executive Limitations

## Policy Title: 2.3. Financial Condition and Activities

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With respect to the actual, ongoing financial condition and activities, the GM shall not cause or allow the development of fiscal jeopardy, compromised fiduciary responsibility, or material deviation of actual expenditures from board priorities established in Ends policies.

Further, without limiting the scope of the previous statement by the following, the GM shall not

1. Operate at a rolling four-quarter net ordinary income of less than 1.5 %
2. Incur debt in an amount greater than can be repaid by certain otherwise unencumbered revenues within sixty days
3. Use any long-term reserves
4. Use restricted funds for other than their intended purpose
5. Fail to settle payroll and debts in a timely manner
6. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed
7. Exceed a debt to equity ratio of 2 to 1
8. Operate the cooperative so as to cause it to be in default under any of its financial agreements
9. Acquire, encumber, or dispose of real property
10. Fail to aggressively pursue receivables after a reasonable grace period

# Policy Type: Executive Limitations

## Policy Title: 2.4. Planning and Budgeting

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The GM shall not cause or allow planning, including financial planning, for any fiscal year or the remaining part of any fiscal year to deviate materially from the board's Ends priorities, risk financial jeopardy, or fail to be derived from a multiyear plan.

Further, without limiting the scope of the previous statement by the following, there will be no financial plans that

1. Risk incurring those situations or conditions described as unacceptable in the board policy "Financial Condition and Activities"
2. Omit credible projection of revenues and expenses, owner investment and return, separation of capital and operational items, cash flow, and disclosure of planning assumptions
3. Result in default under any of the cooperative's financial agreements or cause the insolvency of the corporation
4. Fail to project income conservatively and constrain budgeted expenses within projected income levels
5. Provide less for board prerogatives during the year than is set forth in the Governance Investment Policy
6. Should be presented in July, because it is supposed to apply to the budget, not the actual (which has what was been done in years past).



# Policy Type: Executive Limitations

## Policy Title: 2.5. Asset Protection

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The GM shall not cause or allow cooperative assets to be unprotected, inadequately maintained, or unnecessarily risked.

Further, without limiting the scope of the previous statement by the following, the GM shall not:

1. Fail to insure against theft and casualty losses to at least 90 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
2. Fail to maintain adequate security measures to protect funds.
3. Subject facilities and equipment to improper wear and tear or insufficient maintenance
4. Fail to protect inventory against damage, contamination or deterioration
5. Unnecessarily expose the organization, its board, or its staff to claims of liability
6. Make capital expenditures, sell capital assets or enter into leases exceeding \$10,000 in value. If an emergency situation requires an unplanned purchase of assets above said amount, the GM will report it at the next regularly scheduled board meeting.
7. Fail to protect intellectual property, information, and files from loss or significant damage
8. Receive, process, or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards
9. Compromise the independence of the board's audit or other external monitoring or advice
10. Invest or hold operating capital in insecure instruments, including in any financial institution that has not achieved the highest rating by at least two national rating services, bonds of less than AA rating at any time, or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions
11. Endanger the organization's public image, its credibility, or its ability to accomplish ends
12. Change the organization's name or substantially alter its identity in the community

# Policy Type: Executive Limitations

## Policy Title: 2.6. Emergency GM Succession

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To protect the board from sudden loss of GM services, the GM shall not permit there to be fewer than two other executives sufficiently familiar with board and GM issues and processes to enable either to take over with reasonable proficiency as an interim successor.

Accordingly, the General Manager shall not fail to:

1. Establish a “chain of command” to be used at any time the General Manager is unable to serve (planned or emergency absence).
2. Identify said persons to the board and require the next-in-charge to attend at least one board meeting per year.
3. Establish and document systems and procedures so that others can find information needed to meet the co-op’s obligations in a planned or emergency GM absence.
4. Actively prepare through training, coaching, development, and access to information, at least one staff member who could be a candidate for general manager if needed.

# Policy Type: Executive Limitations

## Policy Title: 2.7. Compensation and Benefits

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With respect to employment, compensation, and benefits to employees, consultants, contract workers and volunteers, the GM shall not cause or allow jeopardy to financial integrity or to public image.

Further, without limiting the scope of the previous statement by the following, the GM shall not

1. Change the GM's own compensation and benefits, except as his or her benefits are consistent with a package for all other employees
2. Promise or imply permanent or guaranteed employment
3. Establish current compensation and benefits that deviate materially from the geographical or professional market for the skills employed, except where such a standard is demonstrably exploitive or inadequate.
4. Create obligations over a longer term than revenues can be safely projected, in no event longer than one year and in all events subject to losses in revenue
5. Provide less than some basic level of benefits to all full time employees, though differential benefits to reward longevity are not prohibited.
6. Establish or change pension benefits so as to cause unpredictable or inequitable situations, including those that
  - A. Incur unfunded liabilities
  - B. Allow any employee to lose benefits already accrued from any previous plan
  - C. Treat the GM differently from other employees

# Policy Type: Executive Limitations

## Policy Title: 2.8. Communication and Support to the Board

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The GM shall not cause or allow the board to be uninformed or unsupported in its work.

Further, without limiting the scope of the previous statement by the following, the GM shall not

1. Neglect to submit monitoring data required by the board (see policy 3.4 on monitoring GM performance) in a timely, accurate, and understandable fashion, directly addressing the provisions of board policies being monitored
2. Fail to report in a timely manner any actual or anticipated noncompliance with any policy of the board
3. Neglect to submit unbiased decision information required periodically by the board or let the board be unaware of relevant trends
4. Let the board be unaware of any significant incidental information it requires, including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes
5. Fail to advise the board if, in the GM's opinion, the board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of board behavior that is detrimental to the work relationship between the board and the GM
6. Present information in unnecessarily complex or lengthy form or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other
7. Fail to provide a workable mechanism for official board, officer, or committee communications
8. Fail, when addressing official business, to deal with the board as a whole except when (a) fulfilling individual requests for information or (b) responding to officers or committees duly charged by the board
9. Fail to supply for the board's consent agenda, along with applicable monitoring information, all decisions delegated to the GM yet required by law, regulation, or contract to be board-approved
10. Fail to provide support for the board's governance activities.

# **Policy Type: Board-Management Delegation**

## **Policy Title: 3.0. Global Governance-Management Connection**

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The board's sole official connection to the operational organization, its achievements, and its conduct will be through a chief executive officer, titled General Manager.

# **Policy Type: Board-Management Delegation**

## **Policy Title: 3.1. Unity of Control**

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Only officially passed motions of the board are binding on the GM.

Accordingly:

1. Decisions or instructions of individual board members, officers, or committees are not binding on the GM except in rare instances when the board has specifically authorized such exercise of authority.
2. In the case of board members or committees requesting information or assistance without board authorization, the GM can refuse such requests that require, in the GM's opinion, a material amount of staff time or funds or is disruptive.

# Policy Type: Board- Management Delegation

## Policy Title: 3.2. Accountability of the GM

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The GM 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 GM.

Accordingly:

1. The board will never give instructions to persons who report directly or indirectly to the GM.
2. The board will not evaluate, either formally or informally, any staff other than the GM.
3. The board will view GM 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 GM performance.

# Policy Type: Board-Management Delegation

## Policy Title: 3.3. Delegation to the GM

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

Accordingly:

1. The board will develop policies instructing the GM to achieve specified results for specified 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. All issues that are not ends issues as defined here are means issues.
2. The board will develop policies that limit the latitude the GM may exercise in choosing the organizational means. These policies will be developed systematically from the broadest, most general level to more defined levels, and they will be called Executive Limitations policies. The board will never prescribe organizational means delegated to the GM.
3. As long as the GM uses *any reasonable interpretation* of the board's Ends and Executive Limitations policies, the GM is authorized to establish all further policies, make all decisions, take all actions, establish all practices, and pursue all activities. Such decisions of the GM shall have full force and authority as if decided by the board.
4. The board may change its Ends and Executive Limitations policies, thereby shifting the boundary between board and GM domains. By doing so, the board changes the latitude of choice given to the GM. But as long as any particular delegation is in place, the board will respect and support the GM's choices.

# Policy Type: Board-Management Delegation

## Policy Title: 3.4. Monitoring GM Performance

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

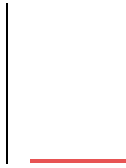
Accordingly:

1. Monitoring is simply to determine the degree to which board policies are being met. Information that does not do this will not be considered to be monitoring information.
2. The board will acquire monitoring information by one or more of three methods: (a) by internal report, in which the GM discloses interpretations and compliance information to the board; or at the Board's discretion (b) by external report, in which an external, disinterested third party selected by the board assesses compliance with board policies; or (c) by direct board inspection, in which a designated member or members of the board assess compliance with the appropriate policy criteria.
3. In every case, the board will judge (a) the reasonableness of the GM's interpretation and (b) whether data demonstrate accomplishment of the interpretation.
4. In every case, the standard for compliance shall be *any reasonable GM interpretation* of the board policy being monitored. The board is the final arbiter of reasonableness but will always judge with a "reasonable person" test rather than with interpretations favored by board members or by the board as a whole.
5. All policies that instruct the GM 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>Policy</b>	<b>Method</b>	<b>Frequency</b>	<b>Month</b>
Ends	Internal	Annually	July
Global Executive Constraint	Internal	Annually	Mar.
Treatment of Consumers	Internal	Annually	April
Treatment of Staff	Internal	Annually	April
Financial Condition and Activities	Internal	Quarterly	Nov., Feb., May., Aug.



	External	Annually	August
Financial Planning and Budgeting	Internal	Annually	July
Emergency GM Succession	Internal	Annually	June
Asset Protection	Internal	Annually	August
Compensation and Benefits	Internal	Annually	August
	Internal or External by request	Biannually	Sept. of odd-numbered years
Communication and Support	Internal inspection	Annually	March



# Policy Type: Board Process

## Policy Title: 4.0. Global Governance Commitment

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The purpose of the board, on behalf of Tidal Creek members, is to see to it that Tidal Creek (a) achieves appropriate results for appropriate persons at an appropriate cost (as specified in board Ends policies) and (b) avoids unacceptable actions and situations (as prohibited in board Executive Limitations policies).

# Policy Type: Board Process

## Policy Title: 4.1. Governing Style

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The board will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than an internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of board and General Manager roles, (e) collective rather than individual decisions, (f) future rather than past or present, and (g) proactivity rather than reactivity.

Accordingly:

1. The board will cultivate a sense of group responsibility. The board will be responsible for excellence in governing and be the initiator of policy. The board will not use the expertise of individual members to substitute for the judgment of the board, although the expertise of individual members may be used to enhance the understanding of the board as a body.
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. The board's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or programmatic means of attaining those effects.
3. The board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, participation, policymaking principles, respect of roles, and ensuring the continuance of governance capability. Although the board can change its Governance Process policies at any time, it will scrupulously observe those currently in force.
4. Continual board development will include orientation of new board members in the board's Governance Process and periodic board discussion of process improvement.
5. The board will allow no officer, individual, or committee of the board to hinder or serve as an excuse for not fulfilling group obligations.
6. 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-Management Delegation categories.

# Policy Type: Board Process

## Policy Title: 4.2. Board Job Products

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Specific job outputs of the board, as an informed agent of the ownership, are those that ensure appropriate organizational performance.

Accordingly, the board has direct responsibility to create and maintain,

1. The linkage between the ownership and the operational organization
2. Written governing policies that realistically address the broadest levels of all organizational decisions and situations
  - A. Ends: organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost)
  - B. Executive limitations: constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place
  - C. Governance process: specification of how the board conceives, carries out, and monitors its own task
  - D. Board-management delegation: how power is delegated and its proper use; the GM's role, authority, and accountability
3. The board will assess and improve its own performance by regular assessment of compliance with board policies on Board Process and Board-General Manager Relationship.

# Policy Type: Board Process

## Policy Title: 4.3. Agenda Planning

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

1. The cycle will conclude each year on the last day of April so that administrative planning and budgeting can be based on accomplishing a one-year segment of the board's most recent statement of long-term ends.
2. The cycle will start with the board's development of its agenda for the next year.
  - A. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be determined and arranged in the first quarter, to be held during the balance of the year.
  - B. Governance education and education related to ends determination (presentations by futurists, demographers, advocacy groups, staff, and so on) will be arranged in the first quarter, to be held during the balance of the year.
  - C. A board member may recommend or request an item for board discussion by submitting the item to the board president no later than 5 days before the board meeting.
3. Throughout the year, the board will attend to consent agenda items as expeditiously as possible.
4. GM monitoring will be included on the agenda.
5. GM remuneration will be decided after a review of monitoring reports received in the last year during the month of June.

# Policy Type: Board Process

## Policy Title: 4.4. Board President's Role

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The board president, a specially empowered member of the board, ensures the integrity of the board's process and, secondarily, occasionally represents the board to outside parties.

Accordingly:

1. The assigned result of the president's job is that the board behaves consistently with its own rules and those legitimately imposed on it from outside the organization.
  - A. Meeting discussion content will consist solely of issues that clearly belong to the board to decide or to monitor according to board policy.
  - B. Information that is for neither monitoring performance nor board decisions will be avoided or minimized and always noted as such.
  - C. Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.
2. The authority of the president consists in making decisions that fall within topics covered by board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of a GM and (b) areas 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 powers of that position, such as facilitating consensus.
  - B. The president has no authority to make decisions about policies created by the board within Ends and Executive Limitations policy areas. Therefore, the president has no authority to supervise or direct the GM.
  - C. The president may represent the board to outside parties in announcing board-stated positions and in stating chair decisions and interpretations within the area delegated to her or him.
  - D. The president may delegate this authority but remains accountable for its use.

# Policy Type: Board Process

## Policy Title: 4.5. Board Members' Code of Conduct

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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.

1. Members must demonstrate loyalty to the ownership, unconflicted by loyalties to staff, other organizations, or any personal interests as consumers.
2. Members must avoid conflict of interest with respect to their fiduciary responsibility.
  - A. There will 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 on an issue about which a member has an unavoidable conflict of interest, that member shall absent herself or himself without comment not only from the vote but also from the deliberation.
  - C. Board members will not use their board position to obtain employment in the organization for themselves, family members, or close associates.
  - D. Board members will disclose their involvement with other organizations, with vendors, or any other associations, which might produce a conflict.
3. Board members may not attempt to exercise individual authority over the organization.
  - A. Members' interaction with the GM or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the board.
  - B. Members' interactions with the public, the 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.
  - C. Except for participation in board deliberation about whether the GM has achieved any reasonable interpretation of board policy, members will not express individual judgments of performance of employees or the GM.
4. Members will respect the confidentiality appropriate to issues of a sensitive nature including, but not limited to, personnel, litigation, real estate, and board member appointments.
5. Members will be properly prepared for board deliberation.
6. Members will support the legitimacy and authority of the final determination of the board on any matter, irrespective of the member's personal position on the issue.
7. Board members have the responsibility to participate effectively in board meetings. Specifically, each board member has the responsibility to come to

board meetings prepared to participate responsibly, to express one's own opinions, to listen respectfully to the opinions of others; to honor divergent opinions, to accept group decisions as legitimate, to share responsibility for group behavior and productivity, to not dominate board meeting time, nor expect the board to deal with topics that are not appropriate for the board, and to support the board chair on board discipline and board accountability.

8. Board members who by majority vote of the board do not follow the board conduct policy shall resign from the board.



# Policy Type: Board Process

## Policy Title: 4.6. Board Committee Principles

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Board committees, when used, will be assigned so as to reinforce the wholeness of the board's job and so as never to interfere with delegation from board to GM.

Accordingly:

1. Board committees are to help the board do its job, not to help or advise the staff. Committees ordinarily will assist the board by preparing policy alternatives and implications for board deliberation.
2. Board committees may not speak or act for the board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the GM.
3. Board committees cannot exercise authority over staff. Because the GM works for the full board, he or she will not be required to obtain the approval of a board committee before an executive action.
4. Board committees are to avoid overidentification 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 subject.?
5. Committees will be used sparingly and ordinarily in an ad hoc capacity.
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 GM.

# Policy Type: Board Process

## Policy Title: 4.7. Board Committee Structure

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A committee is a board committee only if its existence and charge come from the board, regardless of whether board members sit on the committee. The only board committees are those that are set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete.

*[The following committees are examples of committees the board may establish but are not intended to be recommended or required committees. The format is simply one way to clearly state the committees' purpose and authority.]*

### 1. Ownership Linkages Committee

- A. *Product:* Options and implications for board consideration with respect to the ends decisions to be made by the board regarding \_\_\_\_\_—by no later than August 15, 200X.
- B. *Authority:* To incur costs of no more than \$\_\_\_\_\_ in direct charges and no more than \_\_\_\_\_ hours of staff time.

### 2. Nominating Committee

- A. *Product:* Properly screened potential board members—by no later than \_\_\_\_\_ of each year.
- B. *Authority:* To incur costs of no more than \$\_\_\_\_\_ in direct charges and no more than \_\_\_\_\_ hours of staff time per annum.

### 3. Audit Committee

- A. *Product:* Specification of scope of audit prior to outside audit—by no later than \_\_\_\_\_ of each year.
- B. *Authority:* To incur no more than \$\_\_\_\_\_ in direct charges and use of no more than \_\_\_\_\_ person-hours of staff time per annum.

# Policy Type: Board Process

## Policy Title: 4.8. Governance Investment

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The board will invest in its governance capacity.

Accordingly:

1. Board skills, methods, and supports will be sufficient to ensure governing with excellence.
  - A. Training and retraining will be used liberally 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, financial audits.
  - C. Outreach mechanisms will be used as needed to ensure the board's ability to listen to owner viewpoints and values.
2. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.
3. The board will establish its cost of governance budget for the next fiscal year during the month of April.

# Policy Type: Board Process

## Policy Title: 4.9. Board Linkage with Owners

To be accountable and to inform board policies, the board is the active and decisive link between the owners of Tidal Creek Cooperative and Tidal Creek Cooperative.

Accordingly, the board will

1. Maintain a credible and continuing connection with the owners (members) based on the following criteria:

Linkage is

- Fair and accessible to owners
  - Proactive
  - Ongoing, evolving and expanding
  - Achievable and measurable
  - Transparent and accurate
  - Accomplished based on an active, multi-year plan that's revised at least annually
2. Seek owners' values on what they want the cooperative to be, how it is to be, what it should accomplish and what those benefits are worth
  3. Leave owners knowledgeable and empowered in their role as owners
  4. Account to the owners about the owners values being realized
  5. The board shall report periodically to the members on its activities and decisions. At least annually, the board shall disseminate a statement of its values and a report of the cooperative's financial resources and how those resources have been translated into services.
  6. To allow for direct input from owners on pressing concerns, the board shall allow a ten minute period at the beginning of each regular board meeting for owners to address the board directly, limited to three minutes per presentation and requiring at least 48 hours advance notice, except with board consent.