



Feather River Food Co-op

POLICY REGISTER

Table of Contents

A. GLOBAL ENDS4

B. EXECUTIVE LIMITATIONS5

GLOBAL EXECUTIVE CONSTRAINTS 5

- B1 Financial Condition and Activities6
- B2 Planning and Financial Budgeting7
- B3 Asset Protection8
- B4 Membership9
- B5 Customer Service10
- B6 Staff Treatment and Compensation11
- B7 Communication to the Board12
- B8 Board Logistical Support13
- B9 Emergency GM Succession14

C. BOARD PROCESS15

GLOBAL GOVERNANCE COMMITMENT15

- C1 Governing Style16
- C2 The Board's Job17
- C3 Agenda Planning18
- C4 Board Meetings19
- C5 Directors' Code of Conduct20
- C6 Officers' Roles22
- C7 Board Committee Principles23
- C8 Governance Investment24

D. BOARD-MANAGEMENT RELATIONSHIP25

GLOBAL BOARD-MANAGEMENT CONNECTION25

- D1 Unity of Control26
- D2 Accountability of the GM27
- D3 Delegation to the GM28
- D4 Evaluating the GM29
- D5 Compensating the GM30

ENDNOTES AND RESOURCES31

E. APPENDICES32

- Mission Statement33

Vision Statement33

Code of Conduct/Conflict of Interest Agreement34

GM Job Description36

Policy Type: **Ends¹**
Policy Title: **A – Global Ends**
Last Revised: 3/24/2025 Final Draft

Feather River Food Cooperative (FRFC) is the only retail cooperative grocery business in Plumas County. We are a community centered, member owned, locally focused business that models cooperative principles and practices.

We seek to be a leader in social, environmental, and sustainable business practices among our local business community and food co-ops at large.

End Results

FRFC works to sustain our vision to:

1. Be recognized in the community as the best place for affordable healthy food, local products, and exceptional customer service.
2. Provide exceptional food, making high quality, local, organic, non-GMO and affordable food accessible to all segments of our community.
3. Model sustainability and environmental responsibility at all Co-op facilities for the benefit of our member-owners, community, and the planet.
4. Promote the development of a strong and sustainable local food system.
5. Inspire and develop leadership, commitment, and passion within the organization, while modeling excellent employment practices.
6. Maintain and upgrade facilities to meet community and operational needs that create an efficient, welcoming, accessible, and inclusive atmosphere.

¹ [Writing Ends Policies](#) by Todd Wallace and Joel Kopischke

Policy Type: **Executive Limitations**
Policy Title: **B – Global Executive Constraint**
Last Revised: 4/6/2022 Final Draft

The General Manager must not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, oppressive, unjust, imprudent, or contrary to the Cooperative Principles² and FRFC's mission.

² [Cooperative Principles](#)

Policy Type: **Executive Limitations**
Policy Title: **B1 – Financial Condition and Activities**
Last revised: 4/6/2022 Final Draft

With respect to the actual, ongoing financial conditions and activities, the General Manager must not cause or allow the Cooperative to be unprepared for future opportunities, the development of fiscal jeopardy, or key operational indicators to be below average for our industry³.

The GM must not:

1. Allow sales growth to be inadequate.
2. Allow operations to generate an inadequate EBITDAP (earnings before interest, taxes, depreciation, amortization, and patronage rebates), and net income.
3. Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.
4. Allow solvency (the relationship of debt to equity) to be insufficient.
5. Allow growth in ownership and owner paid-in equity to be insufficient.
6. Default on any terms that are part of the Cooperative's financial obligations.
7. Allow late payment of contracts, payroll, loans or other financial obligations.
8. Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.
9. Acquire, encumber or dispose of real estate or enter into long-term real estate leases without board consent.
10. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
11. Allow financial record keeping systems and financial controls to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).
12. Incur capital expenditures without following current procedures.

³ [Key Financial Indicators](#) by Michael Healy
[Context Matters: Using Trends to Monitor the Financial Health of you Co-op](#) by Michael Healy

Policy Type: Executive Limitations
Policy Title: B2 – Planning and Financial Budgeting
Last revised: 4/6/2022 Final Draft

The General Manager must not operate without annual budgets and multi-year plans that address intentional and improved Ends accomplishment, and strengthened operations.

The GM must not:

1. Create plans or budgets that
 - a. Risk incurring those situations or conditions described as unacceptable in the Board policy “Financial Condition and Activities.”
 - b. Omit planning rationale.
 - c. Omit credible projection of revenues and expenses, owner investment and return, separation of capital and operational items, cash flow, and debt service.
 - d. Do not pursue excellence in business systems and operations.
 - e. Have not been tested for feasibility.
 - f. Do not include staffing and organizational structure to fulfill goals and policies.
2. Deprive the board of budgeted funds allocated for it’s uses without adequate cause.

Policy Type: Executive Limitations
Policy Title: B3 – Asset Protection
Last revised: 4/6/2022 Final Draft

The General Manager must not allow assets to be unprotected, unreasonably risked, or inadequately maintained.

The GM must not:

1. Allow inadequate insurance for facilities, equipment, and business interruption.
2. Allow unnecessary exposure to liability or lack of insurance protection from claims of liability.
3. Allow deposits or investments to be unreasonably risked.
4. Allow inadequate security of premises and property.
5. Allow data, intellectual property, or files to be unprotected from loss, theft or significant damage.
 - a. Allow improper usage of member-owners' and customers' personal information.
6. Allow purchasing that is uncontrolled or subject to conflicts of interest.
7. Allow lack of due diligence in contracts.
8. Allow damage to the Cooperative's public image.

Policy Type: Executive Limitations
Policy Title: B4 – Membership
Last Revised: 4/6/2022 Final Draft

The General Manager must not allow member-owners to be without opportunities for meaningful participation⁴.

The GM must not:

1. Allow member-owners to be under informed or misinformed of their benefits, rights, and responsibilities.
2. Allow any individual to become a member-owner unless that individual meets the eligibility requirements described in our Bylaws, and pays the required \$300 equity (or begins an equity payment plan).
3. Create or implement a member-owner equity system without the following qualities:
 - a. Member-owners are informed that equity investments are a) at risk, and b) generally refundable, though the Board retains the right to withhold refunds when necessary to protect the Cooperative's financial viability.
 - b. Equity will not be refunded if such refunds would lead to a net decrease in total member-owner paid-in equity at the end of any reporting period, or would risk, cause or exacerbate non-compliance with any Financial Condition policy.
4. Implement a patronage dividend system⁵ that does not
 - a. Comply with IRS regulations.
 - b. Allow the Board to examine a range of options and implications, so the Board can make a timely determination each year concerning how much, if any, of the Cooperative's net profit will be allocated and distributed to member-owners.

⁴ [Participation: Own, Use, Serve, Belong](#)

⁵ [Patronage Dividend: Presenting GM Recommendations](#) by Michael Healy

Policy Type: Executive Limitations
Policy Title: B5 – Customer Experience
Last Revised: 4/6/2022 Final Draft

The General Manager must not be unresponsive to customer needs.

The GM must not:

1. Allow a customer experience that is not welcoming and inclusive.
2. Operate without a system for soliciting and considering customer opinion regarding preferences, product requests, complaints and suggestions.
3. Allow an unsafe shopping experience for our customers.
4. Operate without written policies for handling customer misconduct that include an appropriate range of responses.⁶

⁶ Ask your CBLD consultant for sample operational-level policies on handling customer misconduct.

Policy Type: Executive Limitations
Policy Title: B6 - Staff Treatment and Compensation
Last revised: 4/6/2022 Final Draft

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

The GM must not:

1. Cause or allow inequitable treatment of applicants and/or employees in regard to race, sex, identity, national origin, primary language, cultural fit, ability, or other factors unrelated to job qualifications and job performance.
2. Operate without policies and practices that attract and retain staff that reflects the diversity of our community.
3. Allow staff to be without training that supports justice and equity.
4. Operate without written personnel policies that:
 - a. Clarify rules for staff.
 - b. Provide for fair and thorough handling of workplace conflicts. The board should not be included as a participant in the conflict resolution process⁷.
 - c. Support employees in reporting unethical or illegal behavior.
 - d. Inform staff that employment is neither permanent nor guaranteed.
 - e. Are accessible to all staff.
 - f. Are applied consistently.
5. Discourage or prevent any employee from reporting unethical or illegal activity to the board, or discriminate or retaliate against any employee for reporting unethical or illegal behavior or activity.
6. Provide for inadequate documentation, security and retention of personnel records and all personnel related decisions⁸.
7. Establish compensation and benefits that are internally inequitable and not competitive in our market⁹.
8. Change the GM's own compensation and benefits, except as those benefits are consistent with a package for all other employees.
9. Implement changes to operational policies and procedures without adequate communication with staff.

⁷ [Responding to Employee Concerns](#) by Marilyn Scholl and Michael Healy

⁸ [Minute Taking Essentials](#) by Michael Healy

⁹ Your co-op might consider substituting this for a living wage policy. Living Wage Calculators can be found here: <https://livingwage.mit.edu/>
<http://www.universallivingwage.org/wagecalculator.html>

Policy Type: Executive Limitations
Policy Title: B7 – Communication to the Board
Last Revised: 4/6/2022 Final Draft

The General Manager must not cause or allow the Board to be uninformed or unsupported in its work.

The GM must not

1. Submit monitoring reports that are untimely or inaccurate, or that lack operational definitions (metrics and benchmarks) and verifiable data directly related to each section of the policy¹⁰.
2. Report in an untimely manner any actual or anticipated noncompliance with any Board policy, along with a plan for reaching compliance and a proposed schedule regarding follow-up reporting.
3. Fail to inform the board of relevant legal actions, media coverage, trends, public events of the Cooperative, or internal and external changes.
4. Withhold from the Board relevant information from or about key partners including NCG, including (but not limited to): reports about industry trends, operational audits, risk assessment and joint liability, program participation, and member agreements.
5. Fail to inform the board if the GM believes the Board is not in compliance with its own policies on Board Process and Board-Management Relationship, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the GM.
6. Deal with the Board in a way that favors or privileges certain directors over others except when responding to officers or committees duly charged by the Board.

¹⁰ [Monitoring Reports: Definitions of the important components](#) by Michael Healy

Policy Type: Executive Limitations
Policy Title: B8 –Board Logistical Support
Last Revised: 4/6/2022 Final Draft

The General Manager must not allow the Board to have inadequate logistical support.

The GM must not:

1. Provide the Board with insufficient staff administration to support governance activities and Board communication.
2. Allow the board to be without a workable mechanism for official board, officer or committee communications.
3. Allow directors to be without a current copy of the Policy Register and the Bylaws.
4. Provide inadequate information and notice to member-owners concerning Board actions, meetings, activities and events.
5. Allow insufficient or inaccessible archiving of board documents.
6. Operate without a crisis communications plan that includes communication protocols for the board.

Policy Type: Executive Limitations
Policy Title: B9 – Emergency GM Succession
Last revised: 4/6/2022 Final Draft

To protect the Cooperative from sudden loss of GM services, the GM must not have less than one other manager identified to the board and sufficiently familiar with GM responsibilities and Board processes to enable them to take over with reasonable proficiency as an interim successor¹¹.

The GM must not:

1. Conduct business without an emergency succession plan that is reviewed with the board annually.

¹¹ [GM Development Plan](#) by Marilyn Scholl and Carolee Colter

Policy Type: Board Process
Policy Title: C – Global Governance Commitment
Last Revised: 4/6/2022 Final Draft

Acting on behalf of our owners, the Board ensures the success of the cooperative by working together effectively, empowering and holding accountable professional management, providing strategic leadership for our cooperative, and perpetuating our democratic organization.

Policy Type: Board Process
Policy Title: C1 – Governing Style
Last Revised: 4/6/2022 Final Draft

We will govern in a manner consistent with the Four Pillars of Cooperative Governance¹² (Teaming, Accountable Empowerment, Strategic Leadership, Democracy). In order to do this, we will:

1. Be a strategic leader by developing insight and foresight to set direction and facilitate movement in that direction.
2. Ensure effective systems of delegating authority to professional management, holding the use of that power accountable, and clearly distinguishing between board and management responsibilities.
3. Work as a team.
4. Maintain discipline.
5. Embrace responsibility.
6. Exercise group authority.
7. Practice the habits of a successful democracy¹³.
8. Maintain a commitment to diversity, equity, and inclusion¹⁴.
9. Seek, encourage and listen to people with a variety of demographic characteristics and diverse perspectives.
10. Use Policy Governance® as our operating system, guiding the work of the board and the General Manager through written policies.
11. Obey all relevant laws and bylaws.

¹² [Four Pillars of Cooperative Governance](#) by Marilyn Scholl and Art Sherwood

¹³ [Democracy in Cooperatives](#) by Michael Healy

¹⁴ Your co-op may want or need more detailed policy agreements related to diversity, equity, and inclusion. [Incorporating Anti-Racism, Diversity, Equity, and Inclusion \(DEI\) Into Board Policies: A CBLD Field Guide](#) by Marilyn Scholl and Thane Joyal includes some sample language.

Policy Type: Board Process
Policy Title: C2 – The Board’s Job
Last Revised: 4/6/2022 Final Draft

The role of the Board is to represent our member owners, to direct and inspire the cooperative, and to ensure appropriate performance. In order to govern successfully, we will:

1. Practice, protect, promote and perpetuate a healthy democracy for our Cooperative.
 - a. Establish and maintain communication with member-owners, educating ourselves on diverse needs and perspectives, and reporting on the Board’s activities and decisions.
2. Hire, set compensation for, delegate responsibility to, and hold accountable a General Manager.
3. Assign responsibility through written policies in a way that honors our commitment to empowerment and clear distinction of roles.
4. Regularly and rigorously monitor the General Manager’s performance in the areas of Ends and Executive Limitations¹⁵.
5. Regularly and rigorously evaluate our Board performance in comparison to our agreements as written in Board Process and Board-Management Relationship policies¹⁶.
6. Perpetuate the Board’s leadership capacity using: a robust recruitment, qualification, and nomination process; thoughtful appointments; fair elections; and ongoing education and training.
 - a. We will have a strategic year-round recruitment and screening process.
 - b. We will provide excellent orientations to potential candidates and newly elected or appointed directors.
7. Perform other duties as required by the bylaws or because of limitations on GM authority.

¹⁵ Consider adding language around evaluating policies through an Anti-Racism, Anti-Oppression lens.

¹⁶ [Board Self-Evaluation: Monitoring your Board’s Policies](#) by Michael Healy

Policy Type: Board Process
Policy Title: C3 – Agenda Planning
Last Revised: 4/6/2022 Final Draft

We will follow a strategic work plan and annual agenda that focuses our attention toward the future and away from operational details.

1. We will maintain an annual calendar that includes tasks and events related to our work plan, membership meetings, Board training schedule, monitoring schedule, and the GM evaluation and compensation decisions as outlined in our Board-Management Relationship policies.
2. Board meeting agendas will be determined by the Board president, and may be modified at the meeting by a majority vote of the Board.

Policy Type: Board Process
Policy Title: C4 – Board Meetings
Last Revised: 4/6/2022 Final Draft

We will use our Board meetings as a valuable and primary tool for getting the Board’s job done¹⁷.

1. We will use Board meeting time only for work that is the whole Board's responsibility, avoiding topics that are not the best use of our time.
2. Meetings will be open to the membership except when a closed session is officially called.
 - a. We may occasionally use closed sessions to deal with confidential matters, as long as the purpose of the session is stated. When possible, announcement of the closed session should be on the published agenda.
3. We will seek agreement through discussion. We will then finalize and document decisions through the use of motions, seconds and majority vote¹⁸.
4. If we must make a decision outside of a regular meeting, we will follow our bylaws, include everyone, and ensure that it is properly documented.

¹⁷ [Board Decisions Between Meetings](#) by Michael Healy
[Board Meeting Packets: A CBLD Field Guide](#) by Michael Healy

¹⁸ This is one example of a decision-making process. Your policy should accurately define the process your board actually uses.

Policy Type: Board Process
Policy Title: C5 – Directors’ Code of Conduct
Last Revised: 4/6/2022 Final Draft

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

1. Every director is responsible at all times for acting in good faith, in a manner which they reasonably believe 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.
2. Directors must demonstrate unconflicted loyalty to the interests of the Cooperative. 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-owner¹⁹.
 - 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.
 - b. Every year, every director will complete the Code of Conduct Agreement form and will verbally report to the whole board all actual and potential conflicts. Every director will immediately report any subsequent actual or potential conflicts to the whole board.
 - c. When the Board is to decide on an issue about which a director has an unavoidable conflict of interest, that director must abstain from the conversation and the vote.
 - d. A director who applies for employment at the Cooperative must first resign from the Board.
3. Directors may not attempt to exercise individual authority over the organization.
 - a. When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.
 - b. When interacting with the public, the press, or other entities, or on social media, directors must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.
4. Directors will not exhibit violent, oppressive or racist behaviors or speech.
5. Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
6. Directors will use electronic communications in a manner consistent with this policy and the responsibilities of a board member.
7. Directors will prepare for, attend, and participate fully in all Board meetings, retreats, and trainings.

¹⁹ [Analysis of Board Members’ Conflicts of Interest](#) by Thane Joyal

8. Directors will support the legitimacy and authority of the Board's decision on any matter, irrespective of the director's personal position on the issue.
9. Any director who does not follow the code of conduct policy can be removed from the Board by a majority vote of the remaining Board.

Policy Type: Board Process
Policy Title: C6 – Officers’ Roles
Last Revised: 4/6/2022 Final Draft

We will elect officers in order to help us accomplish our job²⁰.

1. No officer has any individual authority to supervise or direct the GM²¹.
2. Officers may delegate their authority but remain accountable for its use.
3. The president ensures the Board functions well and in accord with our policy agreements²².
 - a. The president is authorized to make decisions that are consistent with Board Process and Board-Management Relationship policies in order to facilitate the Board’s functioning.
 - b. The president will chair and set the agenda for Board meetings.
 - c. The president is the point person for the relationship between the Board and General Manager between meetings.
 - d. The president plans for leadership (officer) perpetuation.
 - e. The president may represent the Board to outside parties.
4. The vice-president will perform the duties of the president if the president is unable to do so.
5. The treasurer is responsible for supporting the board in all finance-related board work.
 - a. The treasurer will lead the Board’s process for creating and monitoring the Board’s (not the Cooperative’s) budget.
 - b. The treasurer will facilitate the Board’s understanding of the financial condition of the Cooperative.
6. The secretary will make sure the Board’s documents are accurate, up to date, and appropriately maintained.
 - a. Board documents include: the policy register, meeting minutes, monitoring report summary, annual calendar, and committee charters.

²⁰ It is not necessary to have all these officers. If your by-laws require or the Board has otherwise decided to have these officers, this is an example of how you might define the roles. As with all Board policies, this one must abide by the by-laws and state law. You should amend the template language so that your policy accurately defines your officers’ duties. You may assign other responsibilities to your officers.

²¹ [Understanding the Meaning of “Speaking with One Voice”](#) by Michael Healy

²² [How to be an Effective Board President](#) by Rebecca Torpie

Policy Type: Board Process
Policy Title: C7 – Board Committee Principles
Last Revised: 4/6/2022 Final Draft

We will use Board committees only to help us accomplish our job²³.

1. Committees will reinforce and support Board holism.
 - a. In particular, committees help the whole Board move forward when they research alternatives and bring back options and information.
2. Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.
3. Only the Board has authority to appoint committee members.
4. We will establish, regularly review and control committee responsibilities in written committee charters.
 - a. Charters must be approved by the Board.
 - b. We will carefully state committee expectations and authority to make sure they do not conflict with authority delegated to the GM.
 - c. Committee calendars will be developed and reviewed annually.
 - d. Each committee will maintain minutes of their meetings.

²³ There can be standing committees, ad hoc committees, and task forces. Make sure your policy reflects your practice in using any or all of these.

[How to Use Committees to Help the Board do Board Work](#) by Thane Joyal

[Agile and Efficient: Board Committees and Structures that Work](#) by Todd Wallace

[Committee Charters Field Guide](#) by Michael Healy

Policy Type: Board Process
Policy Title: C8 – Governance Investment
Last Revised: 4/6/2022 Final Draft

We will invest in the Board’s governance skills, methods, and support to allow us to govern with excellence²⁴.

1. We will use the Cooperative’s resources prudently and strategically.
 - a. We will use training and retraining liberally to orient new directors and board candidates, as well as to maintain and increase existing directors’ skills and understanding.
 - b. We will arrange outside monitoring assistance as necessary so that the Board can exercise confident control over organizational performance.
 - c. We will use outreach mechanisms as needed to ensure our ability to listen to member-owner viewpoints and values.
 - d. We will use professional and administrative support.
 - e. In establishing Board compensation, we will²⁵
 - i. Link compensation to the work requirements of the various roles
 - ii. Consider equity in discussions about compensation
 - iii. Keep our member-owners informed
 - f. In establishing worker-member owner compensation, we will
 - i. Ensure compensation is distributed following current procedures
 - ii. Keep member-owners informed of worker-member opportunities
2. We will develop the Board’s annual budget in a timely way so as to not interfere with the development of the Cooperative’s annual budget. We will complete this work no later than January.

²⁴ [Budgets: The Board’s Plan for Governance Investment](#) by Michael Healy

²⁵ Be sure to follow state laws and bylaws as it relates to board compensation. [Board Compensation](#) by Marilyn Scholl and Michael Healy

Policy Type: Board-Management Relationship
Policy Title: D – Global Board-Management Connection²⁶
Last Revised: 4/6/2022 Final Draft

The Board has hired the General Manager to operate the business. We will be an excellent employer to the GM as our sole employee, cultivating a relationship rooted in equity, respect and mutual support. In delegating authority to the GM, we acknowledge the GM’s expertise, and we will work collaboratively and transparently with the GM in addressing any issues as they arise.

²⁶ [Building a Strong Top Leadership Team: Creating and maintaining a healthy board-GM relationship](#) by Michael Healy
[Skills for Building the Board-General Manager Relationship](#) by Rose Marie Klee

Policy Type: Board-Management Relationship

Policy Title: D1 – Unity of Control

Last Revised: 4/6/2022 Final Draft

Only official decisions and policies of the Board are binding on the GM.

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

Policy Type: Board-Management Relationship

Policy Title: D2 – Accountability of the GM

Last Revised: 11/19/2024 Final Draft

The General Manager is accountable for achieving the Ends and operating the organization within the Executive Limitations.

1. We will view organizational accomplishment of Ends and organizational operation within Executive Limitations as successful GM performance.
2. We will not supervise, manage, or evaluate any employee other than the GM except where pre-established support is in place.

Policy Type: Board-Management Relationship
Policy Title: D3 – Delegation to the GM
Last Revised: 4/6/2022 Final Draft

The Board delegates authority to the GM through written Ends and Executive Limitations policies.

1. 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 operational policies, practices and plans for the cooperative.
2. We will respect and accept the GM’s choices as long as those choices are based on reasonable interpretations of Board policies.
3. If the Board changes an Ends or Executive Limitations policy, the change only applies in the future.

Policy Type: Board-Management Relationship
Policy Title: D4 – Evaluating the GM
Last Revised: 4/6/2022 Final Draft

The Board will systematically and rigorously monitor and evaluate the GM’s job performance compared to expectations set forth in Board policies.

1. The Board’s policy monitoring process is the foundation of our annual evaluation of the GM²⁷.
 - a. In January of each year the Board will review a summary of the monitoring reports received during the previous 12 months²⁸.
 - b. The Board will invite the GM into a conversation to share other relevant information and clarifications.
 - c. Based on the review of reports and the conversation, the Board will present an evaluation letter to the GM. That letter will constitute our full evaluation, and it will be delivered no later than February 15th.
2. We will acquire monitoring information by one or more of three methods: (a) most commonly by internal report, in which the GM discloses policy interpretations and compliance information to the Board; (b) occasionally by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies; or (c) rarely by direct Board inspection, in which a designated director or committee assesses compliance with the policy.
3. We will accept that the GM is compliant with a policy if the monitoring report includes a reasonable interpretation, including clear metrics and benchmarks, and adequate data that demonstrate accomplishment of that interpretation.
 - a. The Board’s standard for compliance with a policy will be any reasonable interpretation by the GM. Reasonable interpretations by the GM do not need to be interpretations favored by individual directors or by the Board as a whole²⁹.
4. In evaluating non-compliance, we will consider the severity, implications and trends, as well as the GM’s explanation and plan to achieve compliance.
5. We will monitor all policies that instruct the GM. The Board can monitor any policy at any time by any method listed above but will ordinarily follow the schedule outlined in the Board Annual Calendar.

²⁷ [Discussion and Process Guide for GM Evaluation](#) by Marilyn Scholl
[Evaluating the General Manager](#) by Mark Goehring and Carolee Colter

²⁸ [Annual Monitoring Report Check Sheet](#)

²⁹ A Board’s Duty: Determining What is Reasonable by Thane Joyal

Policy Type: Board-Management Relationship
Policy Title: D5 – Compensating the GM
Last Revised: 4/6/2022 Final Draft

The Board will compensate the General Manager in a way that honors their value to the cooperative, and demonstrates our commitment to equitable treatment³⁰.

1. We will establish a compensation package that is equitable, competitive in our market, and sustainable for the cooperative.
2. We will use a strategic process to establish the value of the GM's compensation, and we will complete this process in a timely manner.

³⁰ [Setting a Process for General Manager Compensation](#) by Carolee Colter and Mark Goehring
[Why are Female General Managers Paid Less Than Men?](#) By Brittany Baird and Carolee Colter
[Internalized Sexism in the Grocery Co-op World](#) by Carolee Colter
[Where are Black Female Leaders? Challenging the Gender and Race Bias in Grocery Cooperatives](#) by LaDonna Sanders Redmond

Endnotes & Resources for Policy Register Template

Cover Page:

For more reading and resources, visit <https://columinate.coop/library/>

For upcoming events that may add some context or elaborate on topics touched on here, visit

<https://columinate.coop/events/>

[Policy Governance Quick Guide](#) by Michael Healy

APPENDICES

Quincy Natural Foods Cooperative, Inc.
dba Feather River Food Cooperative

Mission Statement: Feather River Food Cooperative is a consumer-owned business that adheres to the Seven Cooperative Principles and provides our communities with quality, local, affordable foods and products, while promoting organic agriculture, health awareness, and sustainability.

The Seven Cooperative Principles:

1. Voluntary and open membership
2. Democratic member control
3. Members' economic participation
4. Autonomy and independence
5. Education, training, and information
6. Cooperation among cooperatives
7. Concern for community

Our Vision:

- To provide Exceptional Food
- To provide Exceptional Service
- To nurture a Sense of Community
- To model Sustainability in our business practices
- To be active in Community Education and Outreach
- To be a Desirable Workplace
- To maintain Financial Wellbeing and Responsibility for the organization

Feather River Food Cooperative Board Code of Conduct, Ethics, and Conflict of Interest Agreement

Overview and Purpose:

The Board of Directors adopts the following Code of Conduct, Ethics and Conflict of Interest Agreement to clarify any uncertainty regarding the authority and the essential role of the board or individual board members. They also define the level of confidentiality and expected behavior conduct of FRFC Board members.

Policy: C5 – Directors’ Code of Conduct

Code of Ethics

As director of QNF Cooperative Inc., I agree that:

- The **board’s authority** is limited to overseeing the affairs of the cooperative in a manner deemed beneficial to the cooperative as a whole. To do this, we employ a manager to be responsible for the overall and day-to-day management of the business under the direction of the board and work with management to set the future direction of the coop. We are also responsible for carrying out other duties as provided by the bylaws or by general or specific corporate laws.
- Each **director’s authority** is equal only to the rights and authority of any individual member of the cooperative except when the board is in formal meeting. No individual director may take action on behalf of the 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.
- The **authority of the manager**, as approved by the board in the general manager’s job description, is to manage the affairs of the cooperative. The 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.
- While an individual **director may disagree** with a policy approved by or action taken by the majority of the board, s/he 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.
- 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 disputed or confidential corporate actions, policies, or issues with co-op members, employees, or the general public unless all directors agree that such information is no longer confidential. All issues related to personnel, real estate, market strategy and goals, pending litigation, and details of the co-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.
- Directors **serve as representatives** of the cooperative. We shall conduct ourselves in a professional manner which fosters confidence and reflects positively on the co-op, its

members, and its staff. We respect the rights of others directors, staff and members to communicate their ideas free from interruption and without intimidation. All directors shall affirmatively and, at all times, disclose any and all **conflicts of interest**.

Code of Conduct

As a co-op director, I pledge to do my best for QNF Cooperative Inc., and will:

- * Devote the time needed to fulfill the responsibilities of the position;
- * Attend all regular and special board and committee meetings;
- * Be prompt, attentive, and prepared for all board and committee meetings;
- * Contribute to and encourage open, respectful, and thorough discussions by the board;
- * Attend and actively participate in the board's training sessions and annual planning retreat to enhance board understanding and cohesiveness;
- * Consider the business of the co-op and its members to be **confidential** in nature;
- * 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;
- * Be honest, helpful, diligent, and respectful in my dealings with the co-op, with other directors, and with the co-op's management, staff and members;
- * Refrain from becoming financially involved or associated with any business or agency that has interests that are, or could be perceived to be, in conflict with the co-op's interest;
- * Work for continued and increased effectiveness in the co-op's ability to serve its member/owners;
- * Be a team player and agree to abide by the majority action of the board, even if it is not my own personal opinion;
- * Present the agreed-upon view of the board of directors, rather than my own, when I speak for the co-op to employees, members, shoppers, and the general public;
- * Refrain from asking for special privileges as a board member and from interfering with management's authority;
- * Work to ensure that the co-op is controlled in a democratic fashion by its members and that all elections are open, fair, and encourage the participation of all members;
- * Strive at all times to keep members informed of the co-op's status and plans, and of the board's work, as appropriate;
- * Continually seek to learn more about the co-op and its operations and about my responsibilities as a board member by pursuing educational opportunities.

As a co-op director, I agree to abide by these policies and codes. I agree that if, in the opinion of the majority of co-op directors, I have violated the letter or spirit of this agreement, I shall resign my position on the board immediately and shall not seek to cause continued disruption to the co-op and the co-op board for that action.

Signature of Co-op Director

Date

Printed Name