



ALBERTA COOPERATIVE GROCERY

POLICY REGISTER

Last Revised: September 3, 2024

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INTRODUCTION

Policy Governance is a system for organizational guidance. Policy Governance defines appropriate relationships between an organization's owners, its board of directors, and its management.

1. The Board is the agent of and has a fiduciary responsibility to the membership.
The Board is an extension of ownership and not an extension of management.
2. Individual Board members have no authority over the Management. The coaching they do as individuals does not carry the weight of Board authority, but is a separate function they perform on their own.
3. The Board governs rather than supervises or manages.
4. Governance is setting and monitoring criteria.
5. The Board puts its criteria in the form of written policy.
6. The Board monitors its policies.
7. The Board may monitor at any time and in any way, but generally uses three ways:
Management reports showing that policy requirements have been met or stating why they haven't been met, with a plan for meeting them in the future. Inspection or audit by an outside person chosen and authorized by the Board. Direct inspection by a Board member or members appointed to this task by the whole Board.
10. Board committees exist to aid the Board in its governance work.
Committees have no supervisory or managerial role. The Board may delegate some of its monitoring functions to committees. It is best to do so in writing, and state the conditions under which the Management may appeal to the Board as a whole.

POLICY TYPE: PRINCIPLES

Policy: Principles Overview –Alberta Cooperative Grocery Vision and Purpose

Revised: July 19, 2022

Related: ACG Bylaws

Committee: Whole Board

Article 2.1 Bylaws: The Cooperative envisions a diverse North/Northeast Portland community that recognizes the important link between a healthy and sustainable food system and healthy and sustainable neighborhoods.”

The Cooperative is guided by 3 principles:

1. Who We Serve

The Alberta Cooperative will provide high quality, healthy and affordable food to its members, its staff and its community.

2. How We Serve

- The Cooperative will obtain such products primarily from local, regional, sustainable, environmentally and socially responsible sources. This includes an emphasis on whole foods, non GMO, animal cruelty free, fair trade, responsibly packaged, special and alternative dietary needs, cooperative and independent businesses.
- The Cooperative will make products available to our mixed income community through active research to lower our cost of goods, and offering products that are accessible in price while not compromising the rest of our mission.

3. Equity Statement

The Alberta Cooperative is committed to manifesting a multicultural, gender diverse, anti-racist, and anti-ablest cooperative culture, where every person learns to see themselves and their potential in our space.

Article 2.2 Bylaws: The Cooperative shall function as a neighborhood and community resource, informing and involving the members of the diverse North/Northeast Portland community.”

MONITORING:

How By Whom For Whom Schedule

Executive Report Management BOD See monitoring calendar

Note about Monitoring: Board policies are monitored and reviewed for compliance, or lack of compliance. Board policies that are not monitored are not reviewed for compliance, but give necessary principles and structure to the Cooperative.

POLICY TYPE: GOVERNANCE PROCESS

Policy: Governance Overview

Revised: April 7, 2020

Committee: Full Board

Review in: March (annually)

The Board of Directors represents the members of Alberta Cooperative Grocery and fulfills the legal responsibilities to be a steward of the Cooperative, on behalf of the owner-members. The purpose of the Board is to see that the organization fulfills the Alberta Cooperative Grocery mission as stated in the Articles of its Bylaws, to create and maintain a cooperative vision, and to provide strategic leadership for the Cooperative.

Policy: Governance 1 – How the Board Governs

Revised: July 2, 2019

Related: ACG Bylaws Articles V, VI, VII

Committee: Board Maintenance & Development Committee

The Board shall govern in a way that:

G1.1 Emphasizes governance, not operational details. The Board directs the organization through Policy Governance by establishing written policies with a focus on long-term results. Policy Governance comprises four areas, as follows:

G1.1.1 **ACG Principles [P]**: Who we serve, How we serve, and Equity statement.

G1.1.2 **Governance Process [G]**: How the Board thinks of, carries out, and monitors its own tasks; G1.1.3 **Management Limitations [L]**: Constraints on Management authority that establish the boundaries within which all Management activity and decisions must take place. These limitations are intended to provide Managers with clear guidelines about what is unacceptable to the Board, and an understanding that, within these constraints, they are responsible for the management of the Cooperative;

G1.1.4 **Board-Management Linkage [M]**: This section provides clear distinctions of Board and Management roles, specifies how authority is delegated to the Management, how the Board and Management communicate, and how the Management is monitored by the Board.

G1.2 Emphasizes future vision and exercises strategic leadership.

G1.3 Emphasizes personal initiative and responsibility.

G1.3.1 The Board will cultivate a sense of group responsibility for excellence in governing, and will enforce upon itself whatever discipline is needed in matters such as attendance, preparation, policy-making principles, and respect of roles.

G1.3.2 The Board will not allow any Director or committee to hinder fulfillment of Board commitments or adherence to Board policy.

G1.3.3 Board Directors will follow all Board Policies to the best of their ability. Any Director not making a reasonable attempt to comply with Board policy will be subject to removal from the Board in accordance with the Bylaws.

G1.4 The Board will deliver a written or verbal response generated from consensus.

G1.5. Responds promptly to requests for information.

G1.5.1 The Board Secretary must:

- (a) Acknowledge receipt of the inquiry and inform the requester of when they might expect a substantive response from the Board; and
- (b) Ensure the Board is prepared to deliver a response within the time frame provided to the requestor.

G1.5.2 The Board shall:

- (a) Consent to a response within the proposed interval; and
- (b) Authorize an individual Director to deliver the response to the requestor.

Policy: Governance 2 – Role of the Board of Directors

Revised: July 7, 2020

Related: G5, Bylaws Articles V

Committee: Board Maintenance & Development Committee

In fulfilling its responsibilities, the Board will:

- G2.1 Represent the interests of the members of the Cooperative, ensuring their involvement and input in long term planning and policy-making.
 - G2.1.1 The Board will educate itself regarding the values held by members.
 - G2.1.2 The Board will inform the membership of its activities and decisions by publishing meeting minutes and an Annual Report.
 - G2.1.3 The Board will engage the membership in major decisions affecting the Cooperative.
- G2.2 Set policy based on best practices grocery Cooperatives.
- G2.3 Review the Cooperative's Strategic Plan at least every two years and update it every five years.
- G2.4 Ensure that there is adequate oversight of the Cooperative through regular and rigorous policy monitoring.
- G2.5 Uphold the Vision and Bylaws.
- G2.6 Provide clear, useable future vision.
- G2.7 Safeguard the Cooperative against threats to its viability.
- G2.8 Maintain records of its formal decisions to ensure institutional memory.
- G2.9 Ensure that Directors are trained in order to effectively carry out the Board's duties.
- G2.10 Perpetuate itself through recruitment.

Policy: Governance 3 – Policy Governance Review Process

Revised: June 4, 2024

Related: ACG Bylaws Article V.VIII

Committee: Board Maintenance and Development Committee (BMAD)

The Board directs the organization through Policy Governance. Accordingly, on an annual basis, the Board will:

- G3.1 Prepare a calendar for monitoring and reviewing all policies.
- G3.2 Monitor performance against all policies.
 - G3.2.1 G policy monitoring is conducted by the Board Maintenance and Development Committee (BMAD) (except G14, monitored by BFC).
 - G3.2.2 M policy monitoring is conducted by the Board Maintenance and Development Committee (BMAD)
 - G3.2.3 L Principles policy monitoring is conducted by the Board based on monitoring reports delivered by the Management.
 - G3.2.3.1 The Board may choose to monitor Management's compliance via direct inspection or an external audit.
- G3.3 Review all policies to ensure they are up to date and accurately describe Board expectations.
 - G3.3.1 Any policy revisions must be consented to by the Board.

Policy: Governance 4 – Roles of Board Officers, Staff Members

Revised: June 4, 2024

Related: G3.3, Bylaws Article VI

Committee: Board Maintenance & Development Committee

G4.1 The Board President has the following responsibilities:

G4.1.1 Ensure the integrity of the Board's process and that the Board behaves in accordance with its own rules and legal requirements.

G4.1.2 Be the official signatory of the Cooperative.

G4.1.3 Ensure fulfillment of the following tasks, which may be delegated:

G4.1.3.1 Supervise the business and affairs of the Cooperative.

G4.1.3.2 Attend agenda planning meetings and work with the Agenda Planning Team to prepare the agenda for all membership and Board meetings.

G4.1.3.3 Facilitate membership and Board meetings.

G4.1.3.4 Adhere to the Board's annual Policy Governance.

G4.1.3.5 Present the membership with an Annual Report based on the Board's policy monitoring work.

G4.1.3.6 Represent the Board to outside parties.

G4.1.4 If the Board employs a Facilitator for its meetings, hire and manage them, including reviewing contract, performance, and compensation at least every two years.

G4.2 The Board Vice President has the following responsibilities:

G4.2.1 Provide support to the President as needed.

G4.2.2 Assist the President with officer and committee recruitment.

G4.2.3 Understand the responsibilities of the Board President and be able to perform these duties in the President's absence.

G4.2.4 Chair the Community Engagement Committee.

G4.3 The Board Secretary is responsible for ensuring fulfillment of the following tasks, which may be delegated:

G4.3.1 Ensure minutes are taken for all membership and Board meetings.

G4.3.2 Ensure that the collection of non-policy Board procedures is kept in one place and passed on to the next Secretary when the time comes.

G4.3.3 Maintain a current list of all Cooperative members.

G4.3.4 Ensure compliance with the posting of notices as outlined in the Bylaws.

G4.3.5 Ensure a summary of all Board committees is posted in the Cooperative.

G4.3.6 Respond to inquiries directed at the Board via email in accordance with G1.5.

G4.3.7 If the Board employs a Board Administrator, hire and manage them, including reviewing contract, performance, and compensation at least every two years.

G4.4 The Board Treasurer has the following responsibilities:

G4.4.1 Ensure Cooperative finances are responsibly managed.

G4.4.2 Chair the Board Finance Committee and ensure it fulfills its duties.

G4.4.3 Ensure that financial reports are presented at all member and Board meetings.

G4.4.4 Be the Board point person for financial audits and reviews.

G4.5 Staff members serving on the Board:

G4.5.1 Serve as full members of the Board:

G4.5.2 May not serve as Board President.

G4.5.4 May excuse themselves from any portion of a Board or committee meeting during which personnel issues are being discussed.

Policy: Governance 5 – Individual Director Responsibilities

Revised: July 7, 2020

Related: Bylaws Article V, Board Director Job Description (Appendix)

Committee: Full Board

- G5.1 Directors will conduct themselves in a manner that fosters confidence and reflects positively on the Cooperative, Board, members, and staff, including:
 - G5.1.1 Behaving ethically and professionally.
 - G5.1.2 Representing the interests of the membership as a whole.
 - G5.1.3 Respecting the confidentiality of all issues as required by law and stated in the Bylaws, particularly in the areas of personnel, finances, real estate, and legal matters.
 - G5.1.4 Acting in good faith and with personal integrity.
 - G5.1.5 Listening openly and expressing opinions respectfully.
 - G5.1.6 Avoiding conflicts of interest.
- G5.2 Directors have the following responsibilities for being informed of their duties:
 - G5.2.1 Read, understand, and follow the organization's Bylaws, Policies, and Board Job Description.
 - G5.2.2 Attend the annual Director orientation.
 - G5.2.3 Take responsibility for informing themselves in order to openly and impartially consider all issues and matters.
- G5.3 Directors have the following responsibilities for participation:
 - G5.3.1 Prepare well for all Board meetings.
 - G5.3.1.1 Review the agenda.
 - G5.3.1.2 Read the previous meeting's minutes.
 - G5.3.1.3 Read all other documents provided in advance of the meeting pertaining to agenda topics.
 - G5.3.1.4 Communicate about meeting topics in advance of the meeting.
 - G5.3.2 Actively participate in all Board meetings.
 - G5.3.2.1 Notify the Board President when an absence is unavoidable.
 - G5.3.3 Contribute to the development of Board meeting agendas by submitting proposed discussion topics.
 - G5.3.4 Serve on at least one committee during their first term.
 - G5.3.5 Actively participate in strategic planning meetings, the Annual Meeting, and any ad hoc meetings.
- G5.4 Individual Directors do not have authority except as explicitly set forth in Board policies or the Bylaws or as authorized by the Board.
 - G5.4.1. In communicating with anyone outside the Board, including staff, on matters of Board responsibility, an individual Director:
 - (a) May repeat explicitly-stated Board decisions.
 - (b) Shall not disclose information received by the Board in confidence.
 - (c) May express their own views, and shall identify them as such.
- G5.5 If at any time a Director is temporarily unable to fulfill their responsibilities, the Board may allow a leave of absence for a mutually agreed upon period of time.

Policy: Governance 6 – Board Committee Principles

Revised: November 5, 2019

Reference: ACG Bylaws Articles V.4, V.5, V.6.e, V.7.b

Committee: Full Board

- G6.1 Board committees help the Board perform its role.
 - G6.1.1 Committee work is limited to those tasks specifically delegated to committees by the Board.
 - G6.1.2 Board committees do not exercise authority over staff.
 - G6.1.3 Board committees report solely to the Board.
 - G6.1.4 Board committees may not speak or act for the Board except when the Board formally

- grants this authority for specific and time-limited purposes.
- G6.2 Standing Board committees exist in perpetuity and are considered important to the Board's fulfillment of its ongoing duties.
- G6.2.1 Standing Board committee responsibilities are established in written charters approved by the Board and housed in the Policy Register.
- G6.2.2 Any changes to a standing Board committee's charter must be approved by the Board.
- G6.3 Ad hoc committees may be formed to support the Board's work.
- G6.3.1 Ad hoc committees' scope and timeframe must be approved by the Board and documented in meeting minutes.
- G6.3.2 Any changes to an ad hoc committee's scope or timeframe must be approved by the Board.
- G6.3.3 Ad hoc committees will be dissolved after completing their purpose.
- G6.4 Directors may serve on any Board committee of their choosing.
- G6.4.1 Non-Directors may serve at the discretion of the committee chair.
- G6.5 Board committee chairs are appointed by the Board and have the following responsibilities:
- G6.5.1 Ensure the committee fulfills its charter and maintains compliance with Board policies.
- G6.5.2 Arrange, set the agenda for, and preside over committee meetings.
- G6.5.3 Ensure committee meeting minutes are maintained and stored on the Board's electronic drive within seven (7) days of each committee meeting.
- G6.5.4 Submit proposals based on the committee's work to the Board.
- G6.5.5 Ensure Owners are informed of committee work and opportunities for participation.
- G6.5.5.1 Ensure meeting announcements with proposed agendas are posted to the Cooperative's online calendar at least seven (7) days in advance of each committee meeting.

Policy: Governance 7 – Building Board Capacity

Revised: October 1, 2019

Committee: Full Board

- G7.1 Board skills and capacity will be sufficient to ensure governing with excellence.
- G7.1.1 The Board shall include within its annual budget funds to support necessary training opportunities.
- G7.1.2 Within two months of the annual Board election, the Board must conduct an orientation for all Directors that covers Policy Governance, consensus decision-making, and any issues relevant to the Board's immediate work.
- G7.1.3 Additional training opportunities will be made available to Directors as the Board determines necessary.
- G7.3 All Existing Board members (Workers and Non - Worker Directors) must serve a minimum of one month past the end of their term in a mentorship role to the new Board, as a condition of accepting the post. They are also encouraged to remain as mentors for up to three months after the expiration of their term.

Policy: Governance 8 – Endorsements

Revised: May 3, 2022

Committee: Full Board

- G8.1 Any Director, Owner, Collective Manager, or the Collective Management may sponsor an endorsement proposal for Board consideration.
- G8.1.1 The sponsor must provide sufficient background information about the proposed endorsement to enable the Board to make a decision.
- G8.1.2 An endorsement proposal submitted by an individual Collective Manager must

- make clear whether the Collective Management has chosen to endorse the proposal.
- G8.1.3 An endorsement proposal submitted by an Owner must be considered first by the Owner Linkage Committee and brought to the Board by the committee chair with the committee's recommendation.
- G8.2 The Board must consider and decide on any endorsement proposals in open session at a Board meeting.
- G8.2.1 The proposal's sponsor is encouraged to attend the Board meeting at which the proposal will be considered to answer questions or clarify information.
- G8.2.2 The Board Secretary must ensure a notice of the Board's consideration of an endorsement proposal is placed in the Cooperative's electronic newsletter at least one week in advance of the Board meeting at which the endorsement proposal will be considered.
- G8.3 Board endorsements must be limited to campaigns, legislation, or policies that affect:
- (a) Food security or nutrition;
 - (b) Cooperative businesses;
 - (c) Workers' rights (especially as related to farm workers);
 - (d) Agricultural policy (especially as related to conservation and/or organic policy);
 - (e) The grocery and/or natural foods industry;
 - (f) Other matters within the scope of the stated mission or Principles of the Cooperative.
- G8.3.1 Endorsement of a candidate for public office is to be expressly linked to an identified policy supported by the candidate or their opponent(s).
- G8.4 After consenting to an endorsement, the Board will issue a written statement that explains the relationship between the endorsement and the stated mission or Principles of the Cooperative.
- G8.4.1 If an endorsement is approved with less than full consensus, one or more minority statements may also be issued.
- G8.4.2 These statements are to be placed in the next subsequent issue of the Cooperative's weekly electronic newsletter.
- G8.5 As part of its endorsement, the Board will specify what kind of support, if any, is to accompany the endorsement (e.g., time, access to members, money).
- G8.5.1 In no event will membership lists or contact information be provided directly to any outside organization or individual.
- G8.6 The Board endorsement process is separate from individual donation requests, which are to be handled by staff.
- G8.7 The Board endorsement process is separate from the Collective Management's endorsement process.

Policy: Governance 9 – Board Meeting Procedures

Revised: May 3, 2022

Reference: ACG Bylaws V.6.k.2, X.1

Committee: Full Board

- G9.1 Board meeting agendas are developed by the Agenda Planning Team, comprised of the Board President and Vice President, Board Facilitator, and Link.
- G9.1.1 The Board will consent to the agenda, including any necessary revisions, at the beginning of each meeting.
- G9.2 Any Board member may submit an item to the Agenda Planning Team for consideration.
- G9.2.1 Proposed agenda items should be submitted by the deadline communicated by the Agenda Planning Team.
- G9.2.2 Proposed agenda items should be submitted using the Board's standard Agenda Request

Form.

G9.3 Board meeting packets are emailed to all Board members at least seven days prior to each Board meeting. Packets will include:

G9.3.1 Meeting agenda.

G9.3.2 Commitment chart.

G9.3.3 Draft minutes from the prior meeting.

G9.3.4 Supporting documentation, such as Agenda Request Forms or Monitoring Reports, for each agenda item requiring discussion or decision.

G9.3.5 Committee meeting minutes from the previous month.

G9.3.6 Collective Management report submitted by the Link.

G9.4 The Board will follow a formal consensus process for all decisions.

G9.4.1 The Board will secure adequate facilitation in order to guide this formal consensus process.

G9.4.2 The Administrator or Facilitator will read aloud the exact proposal language immediately before the Facilitator calls for consensus.

G9.4.3 At the end of the time allotted for a proposal at a regular meeting, the Board will do one of the following:

(a) Reach consensus and close the discussion.

(b) Determine the appropriate Board committee or other group of Directors that will commit to working further on the proposal and sponsoring it at a future meeting.

(c) Abandon the proposal.

(d) Block the proposal due to an unresolvable concern.

G9.4.4 If the Board cannot reach a consensus decision and inaction on the proposal will cause intrinsic harm to ACG, its owners, or its employees, a back-up decision-making process may be invoked by a two-thirds majority vote of the Directors present. The back-up decision-making process must be as follows:

G9.4.4.1 The proposal will be resubmitted to either a subsequent regular meeting or an emergency meeting.

G9.4.4.1.1 The decision to take up an unresolved matter at an emergency meeting, rather than at a subsequent regular meeting, must require agreement on the following items by a simple majority vote of Directors present:

(a) That the proposal is of sufficient urgency that it cannot await the next regular meeting;

(b) That a quorum of Directors will attend the emergency meeting; and

(c) The date, time, and location for the emergency meeting, which must be held at least 48 hours later.

G9.4.4.2 The Board must attempt consensus on the proposal.

G9.4.4.3 If consensus still cannot be reached, any Director may call for a two-thirds majority vote on the proposal.

G9.4.5 A Director who stands aside from a decision must identify any unresolved concern(s) not sufficiently addressed by the decision or the personal conflict prompting the stand aside.

G9.4.6 A Director who blocks a decision must identify the unresolvable concern informing the block.

G9.5 Accurate minutes are to be taken at each Board meeting.

G9.5.1 Approved minutes must be posted no more than seven (7) days after the date of approval.

G9.5.2 Meeting minutes must include:

G9.5.2.1 Any content required by the ACG Bylaws.

G9.5.2.2 Bold, red text stating that the minutes are a draft until approved by the Board.

G9.5.2.3 Exact time of meeting commencement and adjournment.

G9.5.2.4 Exact wording of all proposals, including policy updates, formally

approved or declined.

G9.5.2.5 Discussion points categorized as clarifying questions, responses, or comments and not attributed to specific Directors.

G9.5.2.6 Documentation of any Board decisions using the following format:

Approved by full consensus.

OR— Approved with [NUMBER OF] stand-asides, [NAMES] and [NUMBER OF] abstentions [NAMES].

OR— [NUMBER OF] blocks, [NAMES]. Not approved.

The unresolved concern(s) informing a stand aside, or the unresolvable concern informing a block, must be noted in the minutes. A Director who stands aside or blocks may submit a written statement expressing the unresolved or unresolvable concern(s), which statement must be appended to the minutes.

G9.5.2.7 Commitments, which must include names, exact commitment, and due date.

Policy: Governance 10 –Board Elections & Bylaw Revisions

Revised: May 3, 2022

Reference: Bylaws Articles III and VI

G10.1 The Elections Committee must be constituted in December and dissolved after the Annual Meeting.

G10.2 The Elections Committee must consist of at least two Directors.

G10.2.1 Director candidates may not serve on the Elections Committee.

G10.2.2 Other conflicts of interest arise are to be addressed at the discretion of the committee Chair.

G10.3 The Elections Committee may solicit assistance from the Marketing & Outreach, Owner Services, and Design team to fulfill its duties.

G10.4 In addition to the procedures outlined in the Bylaws, the Elections Committee must ensure adherence to the following voting procedures:

G10.4.1 One ballot must be provided per Owner (primary shareholder) in good standing.

G10.4.2 Owners must have at least the following voting options: 1) in store; 2) by mail; 3) electronically; and 4) at the Annual Meeting.

G10.4.3 When concurrent, Board elections and Bylaws revisions must be listed on the same ballot with an explanation detailing the Bylaw revisions.

G10.4.3.1 If multiple Bylaws revisions are proposed, the proposals must be voted on individually.

G10.4.4 To maintain voter anonymity, ballots must be separated from any identifying information after determining eligibility and before tallying votes.

G10.4.5 Ballots must be kept secure throughout the voting period.

G10.4.6 Ballots must be counted by at least two members of the Elections Committee.

G10.4.6.1 Director candidate vote totals are considered to be the number of Yes votes less the number of No votes. Director candidates must receive a net positive vote total in order to win a seat.

G10.4.6.2 Proposed Bylaws revisions must receive two-thirds Yes votes in order to pass.

G10.4.7 Results must be announced to the Ownership as soon as possible after Director candidates have been informed.

Policy: Governance 11 –Meeting Conduct

Revised: January 7, 2020

Committee: Full Board

Review in: October (annually)

- G11.1 Meeting agreements will be posted at Board meetings and Owner meetings.
- G11.2 If a person exceeds their allotted agenda time or deviates from their posted topic without Board approval, they will be asked to end their remarks by the facilitator.
- G11.3 If a person does not end their remarks when asked, or otherwise disrupts the agenda, they will be asked to leave the meeting by the facilitator or any Director.
- G11.4 If a person physically interacts with another person without their consent, or threatens to, they will be asked to leave the meeting by the facilitator or any Director.
- G11.5 If a person refuses to leave a meeting after being asked to by the facilitator and/or a Director for any of the reasons listed above, they will be excluded from future meetings until such time as the Board votes to allow them to attend again.

Policy: Governance 12 –Annual General Membership Meeting

Revised: May 3, 2022

Reference: Bylaws IV, VII.4, Limit 6

- G12.1 The Annual General Membership Meeting (“Annual Meeting”) will be held annually between May 1 and July 31.
- G12.2 The Board has the following responsibilities for the Annual Meeting:
- (a) Confirm the date and location proposed by the Collective Management;
 - (b) Ensure the Elections Committee appoints at least one Director to communicate agenda-related requests from the Board to the Management; and
 - (c) Ensure the content of the agenda is consistent with Article IV.1 of the Bylaws.
- G12.3 The Board President has the following responsibilities for the Annual Meeting:
- (a) Present the annual report;
 - (b) Ensure facilitation of the meeting;
 - (c) Ensure records of decisions made at the previous Annual Meeting are provided.
- G12.4 The Board Secretary must ensure minutes are taken at the Annual Meeting.

Policy: Governance 13 – Board Conflict Resolution Policy

Revised: May 3, 2022

Related: G15

Committee: Board Maintenance & Development

In order to support a culture that welcomes diverse perspectives and accepts that non-violent conflict can be productive and is sometimes unavoidable, the Board will adhere to the following to resolve conflicts between any individual Director and another Director, Worker, or Owner. The Board will be mindful of the complexity inherent to conflict, including power differentials reflective of race, class, gender, seniority, etc. as well as the cultural specificity of this conflict resolution process.

- G13.1 Any Director, Worker, or Owner who perceives that an individual Director is not upholding the Director’s duties or that they have a conflict with an individual Director that impacts the Board’s ability to fulfill its duties must invoke this policy to initiate the Board’s conflict resolution process.
- G13.1.1 Any Director who notices an unaddressed conflict between a Director and another Director, Worker, or Owner that impacts the Board’s ability to fulfill its duties may invoke the conflict resolution process by making a request of the involved parties or the Board President or Vice President.
- G13.2 Any Director asked to participate in the conflict resolution process with another Director,

- Worker, or Owner will do so actively and in good faith.
- G13.3 The Board's conflict resolution process:
- G13.3.1 Direct communication between parties in the conflict.
 - G13.3.1.1 Direct communication may be bypassed if any party to the conflict has concerns regarding their safety or well-being.
 - G13.3.2 Mediation. Mediation will preserve the confidentiality of the Co-op. Options include:
 - G13.3.2.1 A conversation witnessed by a mutually agreed upon third party.
 - G13.3.2.2 Formal mediation conducted by a mutually agreed upon professional trained in conflict resolution.
 - G13.3.2.3 Facilitated group discussion at the earliest possible Board meeting, in a Closed Door Session if appropriate.
 - G13.3.3 Board resolution. If the conflict persists after the steps in G13.3.1 and G13.3.2 have been followed, the Board will discuss and decide on additional steps to resolve the conflict, up to and including the removal of one or more Directors from the Board.

Policy: Governance 14 – Financial Audit Recommendation

Revised: March 3, 2020

Committee: Board Finance Committee

Related: Limit 5.11

- G14.1 The Finance Committee will discuss whether or not to require a financial audit or review annually at the July Finance Committee meeting.
- G14.2 If the Finance Committee recommends requiring a financial review, audit and/or related service from an accountant, it will bring the recommendation to the Board for a decision no later than the October Board meeting.
- G14.2.1 If the audit is already required according to the schedule outlined in L5.11, the Finance Committee does not need to present this recommendation to the Board.
- G14.3 The Treasurer will deliver any financial audit report and related recommendations to the Board.

Policy: Governance 15 – Closed Sessions

Revised: May 3, 2022

Committee: Full Board

Related: G9

- G15.1 The Board reserves the right to go into closed session.
- G15.1.1 Closed sessions must only be used for purposes of confidentiality and discretion, such as when privacy is needed to protect the rights or private details (e.g. wages, reviews, health status) of individuals or organizations.
 - G15.1.2 The Board must not use closed sessions to hide controversial decisions or activities of the Board from public view.
- G15.2 A closed session may be requested by a Director on behalf of themselves or a staff person, customer, working owner, or outside individual or organization.
- G15.2.1 A request for a closed session will clearly state the purpose, justification, and intended goal of the closed session. The request will be distributed to all Board Directors via email.
- G15.3 Any closed session will be held after the normal Board meeting.
- G15.4 The following individuals may attend a closed session:
- (a) All Directors in good standing.
 - (b) The Board Facilitator, Board Administrator, and Board Link or Backup Board Link, unless

otherwise specified by the Director requesting the closed session.

(c) Other relevant persons (e.g. attorney, customer, staff person) at the discretion of the Director requesting the closed session.

G15.5 The Board Secretary must take notes or delegate a notetaker unless otherwise specified by the Director requesting the closed session.

G15.5.1 Any notes taken must only be shared with Directors.

G15.5.2 Closed session notes must not be published with Board meeting minutes.

SECTION G APPENDICES

CALENDAR APPENDIX: Board of Directors Comprehensive Annual Calendar

Revised: January 2, 2024

January	Process	Responsibility	Who Monitors/Reviews	Desired Outcome
<i>Board/CM/Link joint audit due by April 15.</i>	Monitor	Board/CM/Link		Joint Meeting
L4 - Budget/Planning	Monitor	Link	BFC	Approval
G14 - Annual Audit Recommendation	Report	BFC/SFPC PP	Full Board	Approval - CA
February				
<i>Annual extended meeting - reschedule for October?</i>				
<i>Earliest month to receive annual meeting date from CM (G12.1). New commitment at meeting.</i>	ARF	MODO/Link	Full Board	Approval
<i>Notice SFPC PP - L3 Q4 due in March</i>	Email	Link		Confirmation of L3 report scheduling
L7 - Collective Management Link Replacement/Sub; Link Replacement/Substitute	Monitor	Link	BMAD	Approval
March				
<i>Approve annual meeting date from CM?</i>	ARF	MODO/Link	Full Board	Approval
<i>BMAD/Full Board - Review Governance overview</i>	ARF	BMAD		Review
L3 - Financial Condition Q4 (prior year)	Monitor	SFPC PP	Full Board	Approval
CM Budget targets for next year	Discuss	SFPC PP	BFC	Discussion/Feedback
Board Budget for next year	Discuss	SFPC PP	BFC	Discussion/Feedback
Dividends Recommendation	Discuss	BFC	Full Board	Discussion/Feedback
April				
<i>Contact Design CM to request fliers at annual meeting of decisions made at previous meeting.</i>	Email	President/Treasurer		Confirmation of flier printing
<i>Last month to receive annual meeting date from CM</i>	ARF	MODO/Link	Full Board	Approval
L2 - Staff Treatment, Training, and Compensation	Monitor	Link	Full Board	Approval
CM Budget targets for next year	Decision	BFC	Full Board	Approval

Board Budget for next year	Decision	BFC	Full Board	Approval
Dividends Decision	Decision	BFC	Full Board	Approval
Bylaws Revision Proposals	Endorse	Any sponsor	Full Board	Approval
ACG Yearly Internal Audit - Board, Management, Board Link	Discuss	Board/CM/Link	See name & comment	Approval
G3 - Policy Governance Review Process	Report	BMAD	Full Board	Approval - CA
May				
<i>Notice SFPC PP - L3 Q1 due in June</i>	Email	Link		Confirmation of L3 report scheduling
June				
<i>Finalize annual report to membership for annual meeting</i>	Discuss	President/Treasurer		Completed annual report
L3 - Financial Condition Q1	Monitor	SFPC PP	Full Board	Approval
<i>Notice SFPC PP - L3 Full Year due in August</i>	Email	Link		Confirmation of L3 report scheduling
July				
<i>BFC - Review G14 & L5 in preparation for August L5 monitoring & October audit recommendation.</i>	Discuss	BFC		Discussion/Feedback
<i>Annual meeting - provide decisions from previous annual meeting.</i>	Report	Pres/Treas/Design		Fliers distributed
G5 - Individual Director Responsibilities	Report	BMAD	Full Board	Discussion
G7 - Building Board Capacity	Report	BMAD	Full Board	Approval - CA
August				
<i>Orientation this month. Required by G7.1.2.</i>	ARF	Board	Full Board, Support	Orientation completed
<i>Contact all directors to schedule October annual extended meeting.</i>	Email or ARF	Facilitator	Facilitator	October extended meeting scheduled
<i>Notice SFPC PP - L3 Q2 due in September</i>	Email	Link		Confirmation of L3 report scheduling
L3 - Financial Condition Full Year	Monitor	SFPC PP	Full Board	Approval
L5 - Asset Protection	Monitor	Link	Full Board	Approval
September				
<i>Elect new Board officers</i>	Vote	President		Decision

<i>Determine Committee membership</i>	Discuss	President		Decision
<i>BFC - Discuss/Decide whether to require a yearly audit or review at monthly committee meeting.</i>	Discuss	BFC		Decision
L3 - Financial Condition Q2	Monitor	SFPC PP	Full Board	Approval
L1 - Customer Service & Value	Monitor	Link	Full Board	Approval
G10 - Elections Committee (elections & Bylaw revision)	Report	BMAD	Full Board	Approval - CA
G12 - Annual General Membership Meeting	Report	BMAD	Full Board	Approval - CA
October				
<i>BFC - Last month to bring recommendation to the Board if financial audit/review is needed.</i>	Report	BFC		Approval
<i>Annual Extended Meeting</i>	Meeting	Fac/VP/Secretary	Full Board, Support	Complete training for new Board
November				
<i>Notice SFPC PP - L3 Q3 due in December</i>	Email	Link		Confirmation of L3 report scheduling
L6 - Board & Management Communication Guidelines	Monitor	Link	BMAD	Approval
M4 - Monitoring Management Performance	Report	BMAD	Full Board	Approval - CA
December				
<i>Form Election Committee (G10.1)</i>	Discuss	President		Decision
L3 - Financial Condition Q3	Monitor	SFPC PP	Full Board	
<i>BMAD - M3 - Assignment of Responsibility to the Management</i>	Review	BMAD		
Presentation of approved budget and annual plan	Report	SFPC PP	Full Board	Approval
M5 The Role of the Link	Report	BMAD	Full Board	Approval - CA

BOARD COMMITTEE CHARTERS

Board Maintenance and Development (BMAD) Charter

Approved December 2, 2008, last revised July 7, 2020

The Board Maintenance and Development Committee has the following responsibilities:

- 1) Ensure that the Policy Register is:
 - a) Usable and readable; and
 - b) Internally consistent.
- 2) Ensure that everyone has access to the Policy Register.
- 3) Ensure that the Board has forums and processes necessary to conduct its business.
- 4) Ensure that the Board has an orientation and extended meetings each year.
- 5) Ensure that the Board has adequate training and development to meet its needs.
- 6) Create and implement a mechanism for monitoring and reviewing Governance policies, reporting to the full Board on a quarterly or more frequent basis.
- 7) Maintain the Board of Directors Annual Calendar, listing all Board commitments, including but not limited to: membership meetings, trainings, and extended meetings; monitoring and reviewing policies; and Board Link and Management reviews.

Finance Committee Charter

Approved August 3, 2010

The Board Finance Committee has the following responsibilities:

- 1) Oversight of the Board budget.
- 2) Monitor the Cooperative's financial operations.
- 3) Review financial statements that are presented to the Board and the membership.
- 4) Make financial recommendations to the Board regarding such items as patronage dividends, allocating the Cooperative's surplus, audits and auditors, and entering into partnerships.

Community Engagement-Committee (CEC) Charter

Approved October 12, 2021

The Community Engagement/Owner Linkage Committee collaborates with community members, community organizations, owners, and staff to:

- 1) Develop projects to serve the community.
- 2) Educating owners and community members on the cooperative model, the nature of ownership, and the work of the Board.
- 3) Informing owners and community members of the Board's current endeavors.
- 4) Soliciting input from owners and community members for the Board.
- 5) Facilitating Board recruitment.
- 6) Creating opportunities for collaboration between owners, community members and the Board.

The CEC Committee must meet a minimum of one time per month to monitor ongoing committee inspired activities and to explore engagement needs.

Policy Type: Management Limitations

Policy: Limits – Overarching Management Constraint

(Policies that define what methods cannot be used to get the expected results.)

Revised: February 7, 2023

Committee: Personnel Committee

The Management must neither cause nor allow any procedure, decision, action, omission, or departmental situation that is either unlawful, imprudent, contrary to explicit Bylaws, in violation of the Seven Cooperative Principles, or in violation of commonly accepted business and professional practices. All activity must be for the purpose of achieving ACG's Principles.

LIMITS OVERVIEW MONITORING:

How By Whom For Whom Schedule

Executive Report Management BOD See monitoring calendar

Policy: Limits 1 – Customer Treatment

Revised: February 7, 2023

The Management must not fail to respond to owner and customer input.

The Management must neither cause nor allow:

L1.1 Operating without a system for maintaining product quality, freshness, and safety standards.

L1.2 An unsafe shopping experience for customers and owners.

L1.3 Operating without a system for requesting, considering, and responding to customer and owner input regarding product selection, operations, and development processes.

L1.4 Operating without a system for communicating about and returning patronage dividends to owners in a timely, efficient, and transparent manner.

L1.5 Owners to be uninformed of Co-op policies, processes, and decisions that directly affect them.

L1.6 Owners to be uninformed of their benefits, rights, and responsibilities as Co-op owners, including systems for making suggestions on Co-op processes and policies.

LIMITS 1 MONITORING:

How By Whom For Whom

Executive Report Management BOD See monitoring calendar

Policy: Limits 2 –Worker Treatment, Training, and Compensation

Revised: September 3, 2024

Committee: Personnel Committee

Workers must not be subjected to illegal, unfair, undignified, discriminatory, or unsafe treatment or conditions. Staff must not lack understanding or training relating to their job duties, or relating to the broader functioning of the Cooperative.

The Management must neither cause nor allow:

L2.1 Operation without written personnel policies that are current and utilized.

- L2.2 Inadequate documentation, security, and retention of personnel records (including job descriptions) and all personnel related decisions.
- L2.3 Employees to be unaware of procedures by which grievances of any reasonable type can be fairly and thoroughly reviewed.
- L2.4 Operation without a reciprocal evaluation process, which is auditable by the Board:
 - where all staff are evaluated according to a schedule determined by the Collective Management.
 - Exit interviews to be performed at time of departure, and staff satisfaction surveys are performed every other year.
- L2.5 Staff compensation and benefits to jeopardize the financial sustainability nor the long-term interests of ACG.
- L2.6 Staff compensation and benefits that do not at minimum strive to achieve a living wage based on geographic location as determined by a credible living wage model.
- L2.7 Staff to be uninformed that employment is neither permanent nor guaranteed.
- L2.8 The hourly rate paid to the highest-paid employee at ACG to be no more than twice the hourly rate of the lowest-paid employee, including vacation pay, with health benefits excluded.
- L2.9 Discrimination against any worker for non-disruptive expression of dissent.

LIMITS 2 MONITORING:

How By Whom For Whom Schedule

Executive Report Management BOD See monitoring calendar

In addition:

Executive Report Management BOD See monitoring calendar

Description: The Management will provide an annual report to the Board of Directors, detailing their complete compensation package. (Outlined in M-5)

Policy: Limits 3 – Financial Condition

Revised: May 3, 2022

With respect to the actual, ongoing financial conditions and activities, Management shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in the ACG Principles.

Specifically, Management must not cause or allow:

- L3.1 Annual financial results to not meet targets specified by the Board; or quarterly financial results to not meet projections delivered to the Board as specified in L4.3.
- L3.2 Liquidity to become insufficient to meet cash needs in a timely and efficient manner.
- L3.3 The Co-op to incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business without Board approval.
- L3.4 The Co-op to acquire, encumber, or dispose of any interest in real estate without Board approval.
- L3.5 The late filing of tax returns or other government required reports, substantive inaccuracies in any such filings.
- L3.6 The late payment of contracts, payroll, loans, taxes, fees, or other financial obligations.
- L3.7 The use of restricted funds for any purpose other than those permitted or required by the restriction.
- L3.8 Financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).
- L3.9 Any capital improvement project or capital expense expected to cost more than \$10,000 to

proceed without a written plan approved by the Collective Management.

L3.10 Any unbudgeted capital improvement project or unbudgeted capital expense expected to cost more than \$10,000 or that will cause L3.1 to become out of compliance to proceed without Board approval.

L3.11 Any unbudgeted non-capital expense expected to cost more than \$10,000 or that will cause L3.1 to become out of compliance to proceed without Board approval.

LIMITS 3 MONITORING:

How By Whom For Whom Schedule

Monthly Board Report Management BOD Quarterly

(Report sent by email at least 10 days before the second Board meeting after the close of the month for inclusion in the monthly BOD meeting packet.)

Description: Report highlighting pertinent aspects of financial performance, including:

- Sales
- Labor Expenses
- Labor as % of Sales
- Total Expenses
- Days Cash, month end
- Ending cash balance
- Total equity, month end
- # active owners
- % sales to owners

Figures to be reported on the following time periods: current month, year-to-date and actual plus budget. Figures to include actuals, budget (including change vs. budget) and prior year (including change vs. prior year)

Executive Report Management BOD Quarterly

(Financial statement attachments described below sent by email at least 10 days before the second Board meeting after the close of the month for inclusion in the monthly BOD meeting packet. Full report sent by email at least 10 days before the third Board meeting after the close of the month for inclusion in the monthly BOD meeting packet, i.e. March for Q4, June for Q1, September for Q2, and December for Q3. The full-year report, including final tax-adjusted figures, sent by email at least 10 days before the Board meeting following final tax assessment for inclusion in the monthly BOD meeting packet.)

Description: Monitoring report addressing the entire policy. Quarterly reports should assert compliance based on activities or performance during the quarter as compared with budget for that quarter as provided to the Board as specified in L4.3. The narrative for the report should include explanations for differences between actual and budgeted amounts shown in the Profit & Loss statement for the quarter; a discussion of the latest full-year view that incorporates actual performance through the quarter in question, as well as any other notable material discrepancies or concerns that annual Board-specified targets will not be met. The following attachments are required as data to support the report:

- 1) Balance sheet for the current quarter and the prior year end.
- 2) Profit and Loss statement with figures showing current quarter, year-to-date, and actual plus budget; and including actuals, budget (including change vs. budget) and prior year (including change vs. prior year).

3) Cash Flow statement showing current quarter and year-to-date, including actuals and prior year (including change vs. prior year).

The format of these reports shall be reviewed annually, to reflect currently relevant issues in financial performance.

Policy: Limits 4 – Budgeting/Financial Planning

Revised: February 7, 2023

Committee: Finance Committee

The budget for all or any part of a fiscal period shall not:

- L4.1 Risk fiscal jeopardy;
- L4.2 Fail to include profit & loss and cash flow projections;
- L4.3 Fail to be approved by the CM and brought to the Board by the December Board meeting with a summary of quarterly projections for sales and all board targets;
- L4.4 Deviate significantly from the ACG Principles;
- L4.5 Fail to be derived from an annual plan that is taken from the strategic plan; and
- L4.6 Fail to incorporate Board specified annual targets for net income, labor as a percentage of sales, change in cash and any other Board specified financial target.

LIMITS 4 MONITORING:

How By Whom For Whom Schedule

Collective Management Report Management Board December

Description: The report includes the budget, a narrative addressing items in this policy, and notes.

Policy: Limits 5 – Asset Protection

Revised: May 3, 2022

Assets shall not be inadequately maintained, unnecessarily risked, or unprotected.

Accordingly, the Management must neither cause nor allow:

- L5.1 Insurance coverage of stock, building, furniture, and equipment to fall below 90% replacement cost.
- L5.2 Unnecessary exposure of the organization, staff, or Directors to claims of liability or lack of liability insurance protection.
- L5.3 Purchasing that risks conflicts of interest.
- L5.4 Receipt, processing, or disbursement of funds under controls insufficient to meet generally accepted accounting principles (GAAP), or a Board-appointed auditor's standards.
 - L5.4.1 An absence of, or lack of strict compliance with, procedures established by the Management with respect to the handling of cash.
- L5.5 Any unnecessary risk to buildings and equipment from a lack of maintenance.
- L5.6 Operation of the organization in a way that unnecessarily risks theft, loss, or damage to property.
- L5.7 Deposit of the organization's funds in institutions where they are not fully protected.
- L5.8 Shares funds to be:
 - L5.8.1 Used for purposes other than to pay down long-term liabilities (member loans, PDC Loan) and to acquire fixed assets (refrigerators, etc.);
 - L5.8.2 Inadequately tracked.
- L5.9 Compromise the independence of the Board's audit or other external monitoring or advice.
- L5.10 Digital assets, authentication credentials and other information critical to the smooth

operation of the Cooperative to be unprotected or unrecoverable.

L5.11 Failing to conduct a Full Financial Audit over three (3) years from the last Full Financial Audit.

LIMITS 5 MONITORING:

How By Whom For Whom Schedule

Executive Report Management BOD See monitoring calendar

Description: report on the entire policy.

External Report BOD BOD See monitoring calendar

Description: An annual review or audit, including a review of cash handling procedures and their implementation.

Balance Statement Management BOD/Fin Com. See monitoring calendar

Description: Quarterly balance statement to be emailed to the BOD, not presented at the meeting.

Executive Report Management BOD See monitoring calendar

Description: Report inflows and expenditures of shares funds (L5.8)

Policy: Limits 6 – Board and Management Communication

Revised: February 7, 2023

Related: M2, M3, M4

Information provided to the Board must not have significant gaps in timeliness, completeness, or accuracy. The Management must neither cause nor allow:

- L6.1 Submission of any monitoring report, management proposal, or other document or information requested by the Board that is inaccurate, incomplete, or past the deadline for inclusion in the appropriate Board packet.
- L6.2 Any monitoring report asserting non-compliance to be without a plan and timeline for following ACG standards and getting into compliance.
- L6.3 The Board to be uninformed of relevant trends, public events of the organization, material internal and external changes, or any information that may affect the assumptions upon which Board policy has been established.
- L6.4 Any public portion of any board meeting to go unattended by the Link, Back-up Link, or a Collective Manager appointed as temporary liaison by the Link or Back-up Link.
- L6.5 Absence of both the Link and Back-up Link from more than three Board meetings in a 12-month period or for any two consecutive Board meetings.
- L6.6 Failure to maintain an electronic archive available to Board directors that includes all Board meeting minutes and annual meeting minutes; election results since 2012; and all current and prior versions of the articles of incorporation, bylaws, and policy register.
- L6.7 Failure to assist the Board in hosting the General Membership Meeting by:
 - L6.7.1 Confirming a date with the Board at least three months in advance.
 - L6.7.2 Developing an agenda, taking into consideration any input received from the Board.
 - L6.7.3 Coordinating event promotion and logistics.
- L6.8 Any situation that would prevent the Treasurer from carrying out their duties.

LIMITS 6 MONITORING:

How By Whom For Whom Schedule

Executive Report Management Board See monitoring calendar

Policy: Limits 7 – Minimum Number of Trained Workers in Specialized Roles

Revised: February 7, 2023

The Management must not operate without a plan for emergency replacement and continuity of Link services.

The Management must neither cause nor allow:

L7.1 The Back-up Link to be unable to take over with reasonable proficiency at any time the Link is unable to serve.

L7.1.1 The absence of the Back-up Link for 12 consecutive Board meetings.

L7.2 Any critical aspect of store functioning to be disrupted if any individual collective manager is unavailable.

L7.3 Fewer than two employees or employee designees under contract with the Cooperative who have:

L7.3.1 Functional knowledge of all critical systems.

L7.3.2 Complete access to all resources used in the functioning of the Cooperative.

LIMITS 7 MONITORING:

How By Whom For Whom Schedule

Executive Report Management Board See monitoring calendar

Policy: Limits 8 – Board Logistical Support

Revised: February 7, 2023

The Management will not allow the Board to have inadequate logistical support.

The Management will not:

L8.1 Provide the Board with insufficient staff administration to support governance activities and Board communication;

L8.2 Provide inadequate access to members concerning public portions of Board records;

L8.3 Allow the Board to be without adequate facilitation for Board meetings;

L8.4 Allow the Board President to be unaided in preparation of the Board agenda;

L8.5 Allow the Board Secretary to be unaided in formatting, preparing and publishing the Board minutes.

L8.6 Fail to maintain a current list of all Cooperative members.

LIMITS 8 MONITORING:

How By Whom For Whom Schedule

Executive Report Management BOD See monitoring calendar

Policy: Limits 9 – Structure of the Collective

Revised: February 7, 2023

The Collective Management must not organize itself in a manner that is contrary to basic principles of inclusion and equity, or that does not allow for clear communication with the Board through the Link.

The Collective Management must neither cause nor allow:

- L9.1 Lack of clarity with respect to who is a member of the collective at any point at which a decision of the collective is required.
- L9.2 Lack of clarity as to the mechanisms by which the collective makes decisions, both for the long term and in emergent situations.
- L9.3 Lack of means to allow staff, regardless of membership in the collective, the opportunity to have their feedback or questions in matters of concern to the store considered and addressed.
- L9.4 The suppression of communication by any staff member, on matters of concern to the Cooperative, with the Board, with individual Directors, with member-owners, or with other staff.

LIMITS 9 MONITORING:

How By Whom For Whom Schedule

Executive Report Management BOD See monitoring calendar

Policy Type: Board-Management Linkage

Policy: M – Board-Management Linkage

Revised: March 8, 2023

The Board's sole official connection to the operations of the Cooperative will be through a Link to be selected by the Management.

Policy: M1 – Unity of Communication

Revised: March 8, 2023

Only officially passed motions of the Board are binding on the Management.

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

Policy: M2 – Accountability of the Management

Revised: March 8, 2023

Communication between the collective and the board will primarily occur through an individual identified by the Management as the Link or through direct communication at Board meetings.

1. The Board will not instruct or evaluate any employee other than the Link.
2. The Board will not supervise or evaluate the Link except with respect to the Link's performance in maintaining clear lines of communication and accountability between the board and the Management, and not with respect to operational decisions of the Management.
3. The Board will hold the Management as a whole accountable for its decisions and expects the Management to develop and utilize strong internal accountability systems to support its actions.

Policy: M3 – Assignment of Responsibility to the Management (Monitored)

Revised: April 4, 2023

The Board delegates authority to the Management through written Principles and Limits policies.

1. As long as the Management uses any reasonable interpretation of the Principles and Limits policies, the Management is authorized to establish all further policies, practices and plans for the cooperative.
2. The Board will respect and accept the Management's choices as long as those choices are based on reasonable interpretations of Board policies.
3. If the Board changes Principles or Limits policy, the change only applies from that point on.

Policy: M4 – Monitoring Management Performance (Monitored)

Revised: April 4, 2023

The Board will monitor and evaluate the Management's job performance.

1. Monitoring is how the Board determines the degree to which the Management is following Board policies. Information that does not directly relate to Principles or Limits policies is not monitoring information.
2. The Board will acquire monitoring information by one or more of three methods: (a) by internal report, in which the Management discloses interpretations and compliance information to the Board; (b) by external report, in which an external, disinterested third party selected by the Board assesses compliance with Board policies; or (c) by direct Board inspection, in which a designated director or committee assesses compliance with the policy criteria.
3. In every case, the standard for compliance will be any reasonable Management interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness.
4. A report is compliant with a policy if it presents a reasonable interpretation and adequate data that demonstrate accomplishment of that interpretation.
5. The Board will monitor all policies that instruct the Management (L policies). The Board can monitor any policy at any time by any method listed above but will ordinarily follow the schedule outlined in the annual monitoring calendar.
6. The Board's annual evaluation of the Management, based on a summary of monitoring reports received from January 1 through December 31, will be completed by April 15.

Policy: M5 – The Role of the Link

Revised: April 4, 2023

The Link will be one individual, hired to the position by the Management, whose job description will reference the requirements of the role as set forth in Board policy. The Management is responsible for employing a Link who is capable of filling this role and who has been trained in preparing and delivering monitoring reports in a policy governance setting. The Board understands the Link to have the following responsibilities.

1. Deliver monitoring reports to the Board according to a schedule determined by the Board.
2. Obtain from the Management and present to the Board all necessary documentation to support monitoring reports. The Link should fully understand the content of reports.
3. Secure assistance from workers with more appropriate expertise as needed to write and present individual monitoring reports (i.e. Representatives from CM Finance and Maintenance).
4. Communicate relevant decisions of the Board to the Management.
5. Participate in planning the agenda of each monthly Board meeting.
6. Attend each monthly Board meeting, subject to the provisions of L7 Collective Management Link Replacement/Sub.

SECTION M APPENDICES

Revised April 4, 2024

Joint Board & CM Audit and Evaluation of Monitoring Reports and Board Link

The Board and CM will conduct a joint audit based on self-audit reports of their work towards the Principles.

The Board will evaluate the Management in accordance with Board policy based on compliance to Limits as reported in monitoring reports from the last 12 months.

The Board will also evaluate the Link in accordance with Board policy, with regard to the role of maintaining clear lines of communication and accountability between the Board and the Management.

Evaluation timeline and process:

- The yearly joint Board and CM audit, the Board evaluation of the Management via monitoring reports, and evaluation of Link performance will take place annually after the first of the year.
- The Board Maintenance and Development Committee Chair will coordinate this process.
- The Board Maintenance and Development Committee will compile all the monitoring reports and CM & Board audits from the previous 12 months, and create a summary of the performance of the Management and Link based on information gathered from the monitoring reports.
- The Board Maintenance and Development Committee Chair will: ensure that the Board completes an annual self-audit and submits it to the CM in a timely manner via the Board Link; present the Board Maintenance and Development Committee's summary about the performance of the Management (via information in monitoring reports) and the performance of the Link to the Board via a closed session; participate in scheduling the joint Board and CM audit and evaluation of monitoring reports and Link; and present the summary to the Link and additional CM audit participants during a joint meeting between representatives of the Board and CM after approval of the Board including any performance improvement needed.
- The joint Board and CM meeting to discuss their self-audits and the evaluation of monitoring reports and Link will be completed by 4/15.

Audit and Evaluation follow-up:

- The Board will consider potential policy revisions identified during the evaluation process.
- The Link will communicate the results of the audit and evaluation to the Management.

Membership Policy

Revised: March 3, 2010

- A. A person who purchases a share, or subscribes to purchase a share will be considered a member-owner of the Cooperative and will have access to all rights and benefits of owners, immediately upon making their first payment.
- B. The share purchase amount will be \$180.
- C. Beyond the rights of membership established in our Bylaws III.6, the ACG Board establishes the following membership benefits:
 - a. 2% point-of-sale register discount;
 - b. 10% case order discount;
 - c. Special Member Appreciation Day discounts, coupons, and other incentives at the discretion of the Management, within the member benefit budget approved annually by the Board;
 - d. Sister Organization benefits at the discretion of the Management.
- D. Only members of a household may “share a share” and only two cards will be issued per household. One person will be the primary shareholder. She will be the party responsible for the membership and will be the only person who may terminate membership and redeem the share for money.
- E. An owner who does not keep current with required share payments will become inactive after 30 days and all benefits of ownership will be suspended. Benefits of ownership will resume when payment is received.
- F. A member terminates their membership by:
 - a. Requesting, in writing, that their membership be terminated and a refund of their share; or
 - b. Requesting, in writing, that their membership be terminated and contributing the share to the Cooperative (funds to be considered donated equity); or
 - c. The member’s survivor provides us a copy of the member’s death certificate and requests a refund to the person’s estate.
- G. Shares may be redeemed by an owner at any time and repayments will be made by the Cooperative within 30 days. Two exceptions to this:
 - a. Repayments may be held until the six-month anniversary of the date of the owner’s initial payment, and repayments may be delayed until replacement investments are secured. In this case, the member will be notified of the delay and when they can expect their refund;
 - b. Any money that the member owes to the Cooperative, such as NSF checks, will be subtracted from the refunded amount.
- H. An owner may not transfer her share to any other person.
- I. The Management will report inflows and expenditures of shares funds to the Board, monthly.