

Board CANDIDATE PACKET
CO-OP MARKET GROCERY & DELI
BOARD OF DIRECTORS
2018-2019

November 13, 2018

Letter to Prospective Board Directors:

The 2018 Election period for Board Directors ended October 20th. We are still looking to fill two empty board seats, seat B (1-year term ending 2019) and Seat D (3-year term ending 2021) to be filled by appointment.

Letter	Name	Elected	Term expires	Next term
A	Anduin McElroy	2018	2019	2022
B	VACANT	2018	2019	2022
C	Jodi Tansky	2016	2019	2022
D	VACANT	2018	2021	2024
E	Madeline Patterson-O'Dell	2018	2021	2024
F	Hilary Shook	2018	2021	2024
G	Chase Nelson	2017	2020	2023
H	Richard Seifert	2017	2020	2023
I	Heather Conklin	2017	2020	2023

This packet of information is compiled for owners interested in becoming a Board Director.

The Board of Directors serves a critical role in overseeing and guiding our Co-op. Board members attend Board meetings and two Committee meetings. We encourage Co-op Market owners to explore this possibility for service and to contact us with any questions.

- We encourage you to visit the Co-op Market website at <http://www.coopmarket.org> to review news and activities and to become acquainted with the Bylaws, Monthly Minutes, and other Board governance documents at <https://coopmarket.org/board/>.
- We highly encourage you to attend Board meetings that are scheduled for the second Monday of each month starting at 6:00 p.m. All meetings take place in the Literacy Council Building/Forget-Me-Not Books located across the street from the market.
Upcoming Meeting Dates:
Monday, December 10th at 6:00pm
Monday, January 14th at 6:00pm
- Please read about the Appointment Process on page 7.

For more information about the Board of Directors and the candidate process, please contact by email or phone.

Jodi Tansky, Secretary
Richard Seifert, Treasurer
Elections Committee 2018

Phone: 907.699.1409 or by email: Jodi.tansky@gmail.com

Co-op Market Grocery & Deli Ends Policy:

Mission

Fairbanks Community Cooperative Market works for health and sustainability by providing natural foods and products, promoting local suppliers, and offering consumer education in an open, community centered environment, through a viable business.

Fairbanks Community Cooperative Market (dba Co-op Market Grocery & Deli) exists so that the people of Fairbanks and Interior Alaska have easy, year-round access to sustainable, healthy, and locally produced food, goods, and services. Co-op Market will contribute towards a healthy community through equitable economic relationships, positive environmental impacts, and inclusive, socially-responsible practices. Because of Co-op Market, a growing number of co-op owners and shoppers, including those in populations and locations traditionally underserved, will have:

- Opportunities for ownership of and engagement in a cooperatively-owned retail source of quality, healthy alternatives to conventional groceries;
- An increasingly robust and sustainable local food economy;
- A choice employer and business leader in operations that support and yield economic, social, and environmental returns, especially in reducing waste and energy consumption; and
- A leading retail citizen dedicated to community engagement, education, and enrichment.

Co-op Market consciously applies the Cooperative Values and Principles and sees them reflected in the trust of its owners, employees, customers, and partners.

Vision

- More Happy People
- More Local Economy
- More Healthy Food

Director of the Board Job Description

Co-op Market shall be governed by a Board of Directors of nine members, elected from among members of Co-op Market. Except for matters for which member voting is required, the Board shall have full power to govern Co-op Market, including, but not limited to, hiring management and evaluating its performance, establishing compensation, if any, for the Board, and assuring that the mission of Co-op Market is carried out. (Bylaws, 2017, Article 6a)

The Board provides collective leadership to the General Manager on behalf of owner-members.

Duties

1. Prior to each Board meeting, prepare by reading committee reports, financial statements, and other materials distributed in the Board packet. Proficiency with Microsoft Word and Adobe PDF encouraged.
2. Attend all regular and special Board meetings, participate in the proceedings, and follow the agenda.
3. Serve on one to two standing committees and actively participate in meetings of the committee.
4. Maintain knowledge of current corporate policies, procedures and the objectives of the corporation.
5. Financially support Co-op Market by being an active owner and shopper.
6. Actively recruit Co-op Market owners to serve on the Board and on committees.
7. Share expertise and talents with Co-op Market as appropriate.
8. Serve as an advocate of the corporation to the community.
9. Be accessible to the General Manager and other Board Members as needed.
10. Fulfill commitments within the agreed upon deadlines.
11. Hold in confidence any sensitive information. All issues related to personnel, real estate, market strategy and goals, pending litigation, contract negotiations, and financial status (member loans, bank loans, General Manager salary, etc.) will be considered sensitive issues subject to confidentiality unless or until full disclosure is approved by the Board as a whole.
12. Read and comprehend the Bylaws, Articles of Incorporation, the Policy Register and Procedures Manual of the Co-op Market Board of Directors.
13. All Board members should be open to assuming an officer role if the need arises.

Compensation:

None currently. Executive Committee is in discussion of future compensation.

Responsibilities of Board Directors

In general, members of a Co-op Board of Directors have the same duties as the directors of any business. In addition, Co-op Boards must act on behalf of Member-Owners (as fiduciaries), meaning that individual directors have to balance individual interests, business interests, and member interests when making decisions. To do this, board members must be able to:

- Uphold fiduciary duty on behalf of Co-op Market Grocery & Deli Member-Owners. (Note: Directors are covered by management liability insurance provided by the Co-op).
- Exercise due diligence in monitoring Co-op Market's financial condition
- Abide by all items contained in the Statement of Agreement (attached below), which includes the Code of Ethics, Code of Conduct, and Conflict of Interest policy.
- Maintain confidentiality when required.
- Faithfully honor all legal obligations that come with directorship, which include:

Duty of care: Make informed decisions in good faith; act as a prudent person; use a good process for decision making; be honest; ensure adequate record keeping.

Duty of loyalty: Always act in the best interest of the cooperative; disclose and avoid conflicts of interest; engage in no self-dealing; maintain confidentiality.

Duty of Attention/Diligence: Attend meetings; participate in discussions; be prepared; review materials; ask questions; know and adhere to state laws and Co-op bylaws; support board decisions and policies; honor contracts; ensure payment of all tax obligations.

Policy Governance

The Co-op Market Grocery & Deli Board of Directors operates using the Policy Governance* model, which was developed to allow boards to maintain accountability for organizational performance while focusing on providing visionary leadership around our 'big-picture' mission. With the recognition that delegation is a significant component of our accountability, the board maintains written documentation of expectations for ourselves, our organization and our General Manager – our policies are the primary vehicle for recording these expectations, and they are monitored on a regular basis.

The relevance of this methodology stems from (1) the fact that a significant volume of information is required to fulfill our fiduciary duties; (2) the need to delegate authority in order to accomplish our organizational purpose; (3) the desire to ensure that our Member-Owners and stakeholders are well served by organizational accomplishments.

The Policy Governance model is designed to allow the board to delegate with great clarity by completing three steps:

1. Expressing the expectations of the job being delegated.
2. Assigning the expectations with no ambiguity to the party who is to be held accountable for meeting them.
3. Checking that expectations were met.

We have four general categories of policies that express our expectations for ends to be achieved and the acceptable means by which to achieve them.

A: Ends

Ends policies broadly state the desired organizational outcomes. They describe the ongoing priorities of what should be achieved and for whom. The General Manager is responsible for reporting on compliance with these policies.

B: Board Process

The board process policies describe how the board is organized and its process and products. The board evaluates its compliance with these policies throughout the year.

C: Governance-Management Connection

These Board-GM policies describe how the board delegates duties and responsibilities to our sole employee, the General Manager. The board evaluates its compliance with these policies throughout the year.

D: Executive Limitations

The Executive Limitations delineate job expectations and acceptable constraints within which the General Manager can act. The General Manager develops a written report for the board on each of these policies on a regular basis throughout the year, and the board evaluates whether the interpretation was reasonable and makes conclusions about whether the GM is in compliance. If it is determined that management is not in compliance with our policies, the Board discusses the reasons for this result and establishes parameters and expectations for achieving compliance within a set time frame. The board may require additional monitoring of the policy (on a more frequent basis) or even conclude that the policy needs to be revised.

Our approach to crafting policies is to begin with broad statements regarding allowable and prohibited behavior, and make increasingly specific policies. For example, a policy that prohibits the General Manager from violating the law provides a concise statement of expectation (and is a lot easier than trying to think of and then write down a list of all the illegal actions which could be undertaken!). A more specific policy might require that a certain level of insurance be carried to protect Co-op Market's property. We limit the level of detail in our written policies to that which is required for the board to accept any reasonable interpretation of those policies. This approach allows for the maximum flexibility and creativity within clearly established boundaries and provides a system for delegation and accountability. (It helps also to have a manageable amount of policies--it would be much more difficult to monitor 200 pages of detailed policies! Furthermore, it keeps us out of the micro-managing realm so that we can focus on the big picture questions.)

The advantages of using the Policy Governance model are:

- It enables the board to focus on the future and provide high-level organizational leadership rather than focusing on day-to-day operational issues. (After all, if the board does not provide this type of leadership, who else could?)
- By deciding on the larger issues about ends and means the board can maintain meaningful control of the organization while allowing others to decide on smaller issues.

- The board can delegate genuine authority to others without failing in its own accountability – the parameters of delegated authority are clearly established by the Board, allowing for decisive leadership by others.

- Regular assessment of compliance with policy provides a systematic method for evaluating organizational performance because the board knows what to look for.

- The board and its subordinates (e.g. its committees, the General Manager) know what is required of them because expectations are clearly articulated. Since the design of jobs has already been decided, the board can distinguish the proper course of action when confronted by questions without having to spend time defining the nature of governance itself.

The Board of Directors exists for the sole purpose of ensuring, on behalf of our (legal and moral) Member-Owners, that the organization performs as it should. We must constantly evaluate our purpose (what transformation we want to occur for people and even the world outside of our organization) and our Ends (the accomplishments that justify our existence). This brings us to the most important question: What difference does having Co-op Market in the world make to you?

* The Policy Governance methodology was developed by John Carver as a means to structure board process to allow for board accountability on a meaningful level and empower the board to lead their organizations at the highest level. Carver's website address is www.carvergovernance.com

Election and Terms

Candidates who receive the highest number of votes for their particular seat shall be deemed the winner. In the event a candidate withdraws before an election is certified, the candidate with the next highest vote count shall be declared winner for that seat. In a tie, the candidates shall draw lots, in a manner determined by the Board Chair, to determine the winner.

Directors shall be elected for a term of three (3) years and shall serve until their successors have been elected or appointed. Directors shall serve staggered terms such that approximately one-third (1/3) of the Board is elected each year. If a director resigns or is removed before his or her term expires, the Board shall appoint a replacement director by the affirmative vote of a majority of the remaining directors to serve the balance of the term for the vacant position. Such appointment shall be subject to vote of confirmation by the membership at the next annual meeting if an annual meeting occurs before the end of the unexpired term (Bylaws, 2017, Article 6c).

Each board seat has been assigned a letter, A-I, to which a set election schedule is set. There are three election cycles: A, B, and C; D, E, and F; and G, H, and I. Upon election, a director will be assigned a letter that will adhere for the duration of his or her service on the board.

Board Appointments

If a sitting Board member resigns from the Board, the Board will follow the procedures outlined below:

1. All discussions regarding Board member replacements occur in Executive Session.
2. The main objective is to appoint and fill the open position. There are three possible paths to take to accomplish the appointment:
 - a. The Board may choose to hear and consider nominations from Directors. Occasionally, there is a vetted list left over from an election or an appointment to a committee that is

generally drawn on to make an appointment. In this case a motion is made and voted on.

- b. The Board can choose to put the open position up for a challenge amongst interested Co-op owners. It is the purview of the Board Development Committee to administer this process. The procedure is as follows:
 - i. The open position interviews will be announced to the ownership by posting on the main bulletin board inside the market, email, and social media announcements.
 - ii. Candidates will submit a Board Candidate Application to Customer Service within time frame specified by the Board Development Committee.
 - iii. The Board Development Committee will vet the applications, interview the candidates and form a list.
 - iv. From the list, the Board Development Committee will come up with a recommendation to present at the Board's next monthly meeting. The Board will discuss and vote on the recommendation. The Board shall appoint a replacement director by the affirmative vote of a of the remaining directors to serve the balance of the term for the vacant position (Bylaws, 2017, Article 6c).
 - v. The Board Development Committee will inform all candidates on the list of the selection result the following day.
 - c. The Board may choose not to fill the position and wait for the next election. As stated above, the preference is to fill an open position.
3. The appointment shall be subject to vote of confirmation by the membership at the next annual meeting if an annual meeting occurs before the end of the unexpired term (Bylaws, 2017, Article 6c).

Ethics, Code of Conduct, Conflicts of Interest, Disclosure

Statement of Agreement

Code of Ethics

The Board of Directors of Co-op Market Grocery & Deli adopts the following Code of Ethics to clarify any uncertainty regarding the authority of the Board of the individual Directors. This Code of Ethics is proposed to create greater unanimity and closer coordination between and among directors, management and employees.

To that end, we the Directors of the Co-op Market Grocery & Deli 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 Co-op. 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 owner of the cooperative except when the board is in formal meeting. No individual director may take action on behalf of the cooperative alone unless explicitly delegated that authority by action of the board, and no individual director has any particular rights to information not made available to all directors.
- 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 directors may disagree with a policy approved by or action taken by the majority of the board, they will support that policy or action as being the considered judgment of the board. An individual director shall have the right to present further evidence and argument to the board for further consideration in a manner consistent with the board's practices. The board shall have the duty to reconsider its actions appropriately.
- 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 the Co-op's Member-Owners, 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 that fosters confidence and reflects positively on the Co-op, its Owners, and its staff. We respect the rights of others – directors, staff and Member-Owners – to communicate their ideas free from interruption and without intimidation.

Code of Conduct

As a Co-op Director, I pledge to do my best for Co-op Market Grocery & Deli and will:

- Devote the time needed to fulfill the responsibilities of the position;
- 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 Member-Owners 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 Member-Owners;
- 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, Member-Owners, 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 Member-Owners and that all elections are open, fair, and encourage the participation of all Member-Owners;
- Strive at all times to keep Member-Owners informed of the Co-op's status and plans, and of the board's work, as appropriate;
- Continually seek to learn more about the Co-op and its operations and about my responsibilities as a board member by pursuing educational opportunities

Conflict of Interest

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

Conflict Disclosure

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

Candidate _____ Candidate _____
Signature: _____ Print Name: _____ Date: _____



Board of Directors Application Form

NAME: _____

ADDRESS: _____

PHONE NUMBER(S): _____

EMAIL: _____

CO-OP OWNER #: _____ **YEAR OWNERSHIP BEGAN:** _____

Have you ever been employed by the Co-op Market? _____ **If so, when?** _____

SIGNATURE: _____ **DATE:** _____

Completed applications can be submitted electronically to board@coopmarket.org or paper applications can be delivered to the Customer Service counter in the store. If you have questions, please contact board@coopmarket.org.

PERSONAL PROFILE AND SUMMARY OF QUALIFICATIONS*:

In addition to this application, please provide a Personal Profile and a resume/summary of qualifications, preferably in Microsoft Word format.

Personal Profile - Below is a list of topics for your Personal Profile. Please keep the text to 300 words or less. We recommend a minimum of 200 words. Submissions over 300 are subject to editing.

- *What do you love about Co-op Market?*
- *Why are you running for the Co-op Market Board?*
- *Why will you make a good Board Director?*

Summary of Qualifications – Please include your current occupation, educational background, business experience, and any prior Board or other community leadership experience.

PHOTOGRAPH*:

We also require a current photograph. A digital head-and-shoulders photo with a plain background are preferred and must be a full-color JPG 300 dpi/ppi, at least 5” wide, and submitted via email as an attachment (not embedded in a Word document or the body of an email). Print photos must be color and at least 5”x7”. You may also arrange for a photo to be taken by emailing board@coopmarket.org.

**Your Personal Profile, Photo and excerpts from your Summary of Qualifications will be displayed in the store and will appear in The Co-op Market newsletter and on our website.*