



## **Introduction to Mariposa's Policy Register**

The Mariposa Board of Delegates adopted Policy Governance in September 2016. Policy Governance is simply a governing model that defines and guides appropriate relationships between an organization's owners, its board of directors, and its chief executive(s). It includes the use of ten principles.

This document is meant to explain Policy Governance and its application at Mariposa Food Co-op. Much of the language is from CDS consulting's ['Taking Policy Governance to Heart'](#) article.

Ten Principles of Policy Governance:

### **1. Ends policies**

The Ends explain what Mariposa's goal as an organization is. It is expected that all interpretations of the policies are to help Mariposa achieve the Ends. Having the Ends first help to uplift our shared values as an organization. At Mariposa these values include democratic decision making, access to affordable foods, a focus on supporting local farms and food entrepreneurs, a commitment to dismantling white-supremacy, and being an adaptive workplace that centers professional development, fair compensation, and excellent customer service.

### **2. Ownership**

The organization exists because we have owners, and it exists to create a benefit and value on behalf of owners. Owners authorize the board to act on its behalf, and when we consider the flow of empowerment and accountability through the organization, it starts and ends with our member owners.

This principle coupled with the Ends principle show the strong synergy between Policy Governance and cooperatives: We know we have owners; we know our cooperatives are purpose-driven.

### **3. Board process policies**

These policies describe the expectations the board has for itself and its work-the agreements the board has made about how it intends to perform its role.

### **4. Board holism**

This means that all board members are expected to support all board decisions, even if they didn't vote for it or agree with the decision. Board holism does not mean that all directors are supposed to think the same; it does mean that all directors are expected to support all board decisions.

### **5. Board/general manager (or equivalent) relationship policies**

These policies describe the relationship between the board and the Transitional General Manager (or other managing body). The concept of “sole point of delegation” is in play here and is described in these policies.

### **6. The governance position**

This principle represents the line that is drawn whenever delegation occurs. If the board says, “We authorize \_\_\_\_\_ to do this work,” then the person named has the responsibility for this work and no one else.

### **7. Executive limitation policies**

In its Ends policies, the board described its expectations for organizational accomplishment. Limitation policies limit the authority of the transitional general manager (or equivalent) as it goes about accomplishing the Ends.

The board is accountable for ALL the countless actions, decisions and organizational circumstances of the cooperative. This principle provides a powerful method for the board to provide values-based boundaries and limits of authority to the general manager while allowing the general manager the freedom to decide how to do things within that framework.

### **8. Board decisions (policies) come in sizes**

The board’s decisions, written down as policies, are organized using a “broad to specific” concept. This principle is often illustrated using a nested bowls concept: largest bowl controls all the bowls nested inside that bowl. The “global” policy for each type of policy is the broadest expectation.

### **9. Any reasonable interpretation**

The board agrees that it is willing to accept any reasonable interpretation of its policies. As a result, those granted authority by board policy (the transitional general manager and convener, for example) may assume their responsibilities knowing that all related actions, decisions, and circumstances will be judged based on reasonableness. This is gauged through regular reporting and monitoring of the policies.

### **10. Monitoring**

The board will work with the TGM every year to create a monitoring schedule so we can follow through and check to see if our expectations are being met. The monitoring principle closes the accountability loop by requiring a response that demonstrates that the expectations expressed in the policies have been met or honored.

**MARIPOSA FOOD CO-OP**  
MEMBER OWNED & OPERATED IN WEST PHILADELPHIA



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# BOARD POLICY REGISTER

Mariposa Food Co-op  
Board of Delegates

Adopted September 2016

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**Summary of most recent changes**

Adopted Ends Policies on December 5, 2016

Ends

**A – Global End**

Last Revised: December 5, 2016

1. Mariposa is a welcoming, accessible, and affordable cooperative.
2. Mariposa is a community in which systems of oppression have been dismantled.
3. Mariposa has policies and practices that support environmentally and economically sustainable food systems.
4. Mariposa is a model for good jobs and workplace democracy.
5. Mariposa's community members care for one another; we are all connected.

**B – Global Executive Constraint**

Last Revised: September 12, 2016

The Transitional General Manager must not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices, or in violation of the Cooperative Principles.

## **B1 – Financial Condition and Activities**

Last revised: September 12, 2016

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

The Transitional General Manager must not:

- B1.1 Allow sales growth to be inadequate.
- B1.2 Allow operations to generate an inadequate net income.
- B1.3 Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.
- B1.4 Allow solvency (the relationship of debt to equity) to be insufficient.
- B1.5 Allow growth in ownership and owner paid-in equity to be insufficient.
- B1.6 Default on any terms that are part of the Cooperative's loans.
- B1.7 Allow late payment of contracts, payroll, loans or other financial obligations.
- B1.8 Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.
- B1.9 Acquire, encumber or dispose of real estate.
- B1.10 Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
- B1.11 Use restricted funds for any other purpose.
- B1.12 Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).

## **B2 –Planning and Financial Budgeting**

Last revised: September 12, 2016

The Transitional General Manager must not operate without annual and multi-year budgets and plans that show progress toward our stated goals in the Ends policy, while avoiding fiscal jeopardy.

The Transitional General Manager must not:

B2.1. 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 credible projection of revenues and expenses, owner investment and return, separation of capital and operational items, cash flow, and disclosure of planning assumptions.
- c. Are not guided by best practices in business systems and operations, and aiming for excellence.
- d. Have not been tested for feasibility.

B2.2. Provide less for Board prerogatives during the year than is set forth in the board budget.

### **B3 – Asset Protection**

Last revised: September 12, 2016

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

The Transitional General Manager must not:

- B3.1. Allow equipment and facilities to be inadequately insured, or otherwise unable to be replaced if damaged or destroyed, including coverage for any losses incurred due to business interruption.
- B3.2. Allow unnecessary exposure to liability or lack of insurance protection from claims of liability.
- B3.3. Allow deposits or investments to be unreasonably risked.
- B3.4. Allow inadequate security of premises and property.
- B3.5. Allow data, intellectual property, or files to be unprotected from loss, theft or significant damage.
  - a. Allow improper usage of members' and customers' personal information.
- B3.6. Allow purchasing that is uncontrolled or subject to conflicts of interest.
- B3.7. Allow lack of due diligence in contracts.
- B3.8. Allow damage to the Cooperative's public image.

## **B4 – Membership Rights and Responsibilities**

Last Revised: September 12, 2016

The Transitional General Manager must not allow members to be uninformed or misinformed of their rights and responsibilities.

The Transitional General Manager must not:

- B4.1. Create or implement a member equity system without the following qualities:
  - a. The required member equity, or fair share, is determined by the Board.
  - b. Members 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.
  - c. Equity will not be refunded if such refunds would risk, cause or exacerbate non-compliance with any Financial Condition policy.
- B4.2. Implement a patronage dividend system that does not:
  - a. Have membership approval to significant changes.
  - b. Comply with IRS regulations.
  - c. Allow the Board to examine a range of options and implications, so the Board can make a timely determination concerning how much, if any, of the Cooperative's net profit will be allocated and distributed to members.
- B4.3. Implement significant changes to member benefits without membership education, engagement and input.
- B4.4. Fail to engage the Cooperative's membership:
  - a. By encouraging, responding to, and being supportive of member ideas, innovations, and initiatives, to the extent practicable.
  - b. By involving and cultivating member expertise to support the co-op's work in food justice, anti-racism, and financial transparency.
  - c. By offering, supporting, and encouraging member work shifts that carry an additional benefit to the extent allowable by law.

Executive Limitations

**B5 – Treatment of Customers**

Last Revised: September 12, 2016

The Transitional General Manager must not be unresponsive to customer needs including, but not limited to, accessibility both in the store and with pricing.

The Transitional General Manager must not:

- B5.1. Operate without a system for soliciting and considering customer opinion regarding preferences, product requests, complaints and suggestions.
- B5.2. Allow an unsafe shopping experience for our customers.

## **B6 – Staff Treatment and Compensation**

Last revised: September 12, 2016

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

The Transitional General Manager must not:

- B6.1. Operate without written personnel policies that:
  - a. Clarify rules for staff.
  - b. Provide for fair and thorough handling of grievances in a way that does not include the board as a participant in the grievance process.
  - c. Are accessible to all staff.
  - d. Inform staff that employment is neither permanent nor guaranteed.
- B6.2. Cause or allow personnel policies to be inconsistently applied.
- B6.3. Provide for inadequate documentation, security and retention of personnel records and all personnel related decisions.
- B6.4. Establish compensation and benefits that are internally or externally inequitable, or that fails to consider the living wage index ([livingwage.mit.edu/](http://livingwage.mit.edu/)).
- B6.5. Change the Transitional General Manager's own compensation and benefits, except as their benefits are consistent with a package for all other employees.
- B6.6. Fail to establish processes for staff empowerment and professional development.
- B6.7. Create an environment of stagnant or decreasing staff morale.
- B6.8. Fail to measure staff morale.
- B6.9. Fail to work with staff to determine what the best management structure is to ensure high staff morale and increasing sales.
- B6.10. Fail to provide access to independent and confidential HR support to staff.

## **B7 – Communication to the Board**

Last Revised: September 12, 2016

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

The Transitional General Manager must not:

- B7.1. Submit monitoring reports that are untimely or inaccurate, or that lack operational definitions and verifiable data directly related to each section of the policy.
- B7.2. 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.
- B7.3. Allow the Board to be unaware of relevant legal actions, media coverage, trends, public events of the Cooperative, or internal and external changes.
- B7.4. Withhold their opinion if the Transitional General Manager believes the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the Transitional General Manager.
- B7.5. Deal with the Board in a way that favors or privileges certain delegates over others except when responding to officers or committees duly charged by the Board.
- B7.6. Fail to supply for the Board's consent agenda<sup>1</sup> all decisions delegated to the Transitional General Manager yet required by law, regulation, or contract to be Board-approved.
- B7.7. Cause or allow the Board to be unaware of changes in staff morale.
- B7.8. Deal with the Board in a discourteous or disrespectful way.

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<sup>1</sup> The **consent agenda** is a single item that encompasses all the things the board would normally approve with little comment.

### **B8 –Board Logistical Support**

Last Revised: September 12, 2016

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

The Transitional General Manager must not:

- B8.1. Provide the Board with insufficient administration to support Board communication and governance activities, including but not limited to Membership Meetings.
- B8.2. Allow the board to be without a workable mechanism for official board, officer or committee communications.
- B8.3. Allow delegates to be without an updated copy of the Policy Register and the Bylaws.
- B8.4. Provide inadequate information and notice to members concerning Board actions, meetings, activities and events.
- B8.5. Allow insufficient archiving of board documents.
- B8.6. Fail to make available confidential and independent HR support to the Board of Delegates.

### **B9 – Emergency General Manager Succession**

Last revised: September 12, 2016

To protect the Board from sudden loss of Transitional General Manager services, the Transitional General Manager must not have less than one other manager sufficiently familiar with Board and General Manager issues and processes to enable them to take over with reasonable proficiency as an interim successor.

### **C – Global Governance Commitment**

Last Revised: September 12, 2016

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. The Board will ensure that the success of the cooperative does not jeopardize Mariposa's commitment to inclusion and anti-oppression work and will ensure that Mariposa is a place that people from a diversity of backgrounds feel comfortable shopping at and working for.

## **C1 – Governing Style**

Last Revised: September 12, 2016

We will govern in a manner that strengthens Mariposa as a cooperative that enriches its community. We will endeavor to listen - and be open to - the voices of our owners and our larger community. In our decisions and our policies, we will obey all relevant laws and bylaws.

We will govern using of the Four Pillars of Cooperative Governance: Teaming, Accountable Empowerment, Strategic Leadership, and Democracy, to create a sustainable, transparent, and consistent governance structure.

We will:

- C1.1. Follow the guidance of our strategic plan, and prepare for the future by considering the long-term consequences of our decisions.
- C1.2. Ensure effective delegation of authority to management, and monitor the actions of management by dictating effective reporting and accountability policies.
- C1.3. Promote Democracy and consensus decision-making, in order to represent the needs of member-owners.
- C1.4. Observe Policy Governance Principles to create clear policies and consistent reporting. To that end, we will
- C1.5. Define Ends Policies that express our values and goals for the organization
- C1.6. Commit to Board Holism; that is, the members of the Board will promote the Board's collective decisions, and support decisions even if they have differing opinions
- C1.7. Be clear about the tasks we delegate to management and Board committees
- C1.8. Institute policies that limit management's options, rather than dictating their decisions
- C1.9. Judge the wisdom of management's decisions on the principle of "any reasonable interpretation"
- C1.10. Monitor management's decisions and support their work, except when those decisions violate the Ends Policies

## **C2 – The Board’s Job**

Last Revised: September 12, 2016

In order to govern successfully, we will:

- C2.1. Practice, protect, promote and perpetuate a healthy democracy for our Cooperative.
- C2.2. Hire, compensate, delegate responsibility to, and hold accountable a Transitional General Manager.
  - a. Use a strategic process to establish the value of Transitional General Manager compensation, and complete this process in a timely manner.
- C2.3. Assign responsibility in a way that honors our commitment to empowerment and clear distinction of roles.
- C2.4. Rigorously monitor operational performance in the areas of Ends and Executive Limitations, and Board performance in the areas of Board Process and Board-Management Relationship.
- C2.5. Perpetuate the Board’s leadership capacity using ongoing education and training, a robust recruitment, qualification and nomination process and fair elections.
- C2.6. Perform other duties as required by the bylaws or because of limitations on Transitional General Manager authority.

### **C3 – Agenda Planning**

Last Revised: September 12, 2016

We will follow a strategic multi-year workplan and annual agenda that focuses our attention upward and outward.

- C3.1. We will create, and modify as necessary, an annual calendar that includes tasks and events related to our multi-year workplan, membership meetings, Board training schedule, monitoring schedule, and the Transitional General Manager evaluation and compensation decisions as outlined in our Board-Management Relationship policies.
- C3.2. Board meeting agendas will be determined by the Board Convener, and may be modified at the meeting by the Board.

## **C4 – Board Meetings & Decision-Making**

Last Revised: September 12, 2016

Board meetings are for the task of getting the Board's job done.

- C4.1. We will use Board meeting time only for work that is the whole Board's responsibility. We will avoid committee issues, operational matters, personal concerns and other topics that are not the highest and best use of our time.
- C4.2. Meetings will be open to the membership except when executive session is officially called.
  - a. We may occasionally use executive session to deal with confidential matters, as long as the purpose of the session is stated. When possible, announcement of the executive session should be on the published agenda.
- C4.3. The board may discuss and make decisions related to urgent and non-controversial matters outside of board meetings.
  - a. Discussion and decisions that occur outside of board meetings will be documented and read into the minutes at the next meeting.
- C4.4. We will seek consensus through discussion on all decisions. Following adequate discussion where all concerns have been reasonably addressed, we will then finalize and document decisions through the use of motions, seconds and a majority vote of two-thirds.

### **C5 – Delegate’s Code of Conduct**

Last Revised: September 12, 2016

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

- C5.1. Every delegate 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.
- C5.2. Delegates must demonstrate unconflicted loyalty to the interests of the Cooperative’s owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interest of any delegate acting as an individual consumer or member.
- a. There will be no self-dealing or any conduct of private business or personal services between any delegate and the Cooperative except as procedurally controlled to assure openness, competitive opportunity and equal access to “inside” information.
  - b. Annually, Delegates will complete the “Conflict of Interest Disclosure” form, and will verbally report to the whole board the potential conflicts. Any subsequent potential conflicts will be reported to the whole board immediately.
  - c. When the Board is to decide on an issue about which a delegate has an unavoidable conflict of interest, that delegate shall abstain from the conversation and the vote.
  - d. At a new delegate’s first board meeting they must complete the “Board Commitment Statement” and “Code of Conduct” forms.
  - e. A delegate who applies for employment must first resign from the Board.
  - f. Any delegate who is also a paid employee has the same duties and responsibilities as any other delegate, and has the additional duty of clearly segregating staff and Board responsibilities. Any delegate who is also a paid employee and is serving on the board as a staff representative will resign from the Board if and when their employment ends.
- C5.3. Delegates may not attempt to exercise individual authority over the organization.
- a. When interacting with the Transitional General Manager or employees, delegates must carefully and openly recognize their lack of authority.

- b. When interacting with the public, the press, or other entities, delegates must recognize the same limitation and the inability of any delegate to speak for the Board except to repeat explicitly stated Board decisions.
- C5.4. Delegates will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
- C5.5. Delegates will prepare for, attend, and participate fully in all Board meetings and trainings.
- C5.6. Delegates will support the legitimacy and authority of the Board's decision on any matter, irrespective of the delegate's personal position on the issue.
- C5.7. Any delegate who does not follow the code of conduct policy can be removed from the Board by the process outlined in our bylaws.

## **C6 – Officers’ Roles**

Last Revised: September 12, 2016

The owners will elect officers in order to help us accomplish our job.

- C6.1. No officer has any authority to supervise or direct the Transitional General Manager.
- C6.2. Officers may delegate their authority but remain accountable for its use.
- C6.3. All officers are responsible for training future officers.
- C6.4. The convener ensures the Board acts consistently with Board policies.
  - a. The convener 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 convener will chair and set the agenda for Board meetings.
  - c. The convener may represent the Board to outside parties.
- C6.5. The convener elect will perform the duties of the convener in their absence.
- C6.6. The treasurer will lead the Board’s process for creating and monitoring the Board’s (not the Cooperative’s) budget.
  - a. In addition, the treasurer will facilitate the Board’s understanding of the financial condition of the Cooperative.
- C6.7. The secretary will make sure the Board’s documents are accurate, up to date, and appropriately maintained.
  - a. In addition, the secretary will take notes at member and board meetings.

### **C7 – Board Committee Principles**

Last Revised: September 12, 2016

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

C7.1. 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.

C7.2. Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.

C7.3. The Board will establish, regularly review, and control committee responsibilities in written committee charters.

- a. We will carefully state committee expectations and authority to make sure they do not conflict with authority delegated to the Transitional General Manager.

## **C8 – Governance Investment**

Last Revised: September 12, 2016

We will invest in the Board’s governance capacity.

- C8.1. We will make sure that Board skills, methods and supports are sufficient to allow us to govern with excellence.
- C8.2. We will incur governance costs prudently, though not at the expense of endangering the development and maintenance of superior capability.
  - a. We will use training and retraining liberally to orient new delegates and board candidates, as well as to maintain and increase existing delegates’ 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 owner viewpoints and values.
  - d. We will use professional and administrative support.
- C8.3. 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. In no case will we complete this work later than November.

Board-Management Relationship

**D – Global Board-Management Connection**

Last Revised: September 12, 2016

The Board's sole official connection to the operations of the cooperative will be through the Transitional General Manager.

Board-Management Relationship

**D1 – Unity of Control**

Last Revised: September 12, 2016

Only officially passed proposals of the Board are binding on the Transitional General Manager.

- D1.1. Decisions or instructions of individual delegates, officers, or committees are not binding on the Transitional General Manager except in rare instances when the Board has specifically authorized this power.
- D1.2. In the case of delegates or committees requesting information or assistance without Board authorization, the Transitional General Manager can refuse any requests that, in the Transitional General Manager's opinion, may disrupt operations or that require too much staff time or resources.

## **D2 – Accountability of the Transitional General Manager**

Last Revised: September 12, 2016

The Transitional General Manager is the Board's only link to operational achievement and conduct.

- D2.1. The Board will view the Transitional General Manager's performance as identical to organizational performance so that organizational accomplishment of Ends and organizational operation within Executive Limitations will be viewed as successful Transitional General Manager performance.
- D2.2. The Board will not instruct or evaluate any employee other than the Transitional General Manager.

### **D3 – Delegation to the Transitional General Manager**

Last Revised: September 12, 2016

The Board delegates authority to the Transitional General Manager through written Ends and Executive Limitations policies.

- D3.1. As long as the Transitional General Manager uses any reasonable interpretation of the Board's Ends and Executive Limitations policies, the Transitional General Manager is authorized to establish all further policies, practices and plans for the operation of the cooperative.
- D3.2. The Board will respect and accept the Transitional General Manager's choices as long as those choices are based on reasonable interpretations of Board policies.
- D3.3. If the Board changes an Ends or Executive Limitations policy, the change only applies in the future.

#### **D4 – Monitoring Transitional General Manager Performance**

Last Revised: September 12, 2016

The Board will systematically and rigorously monitor and evaluate the Transitional General Manager's job performance compared to expectations set forth in Board policies.

- D4.1. The Board will acquire monitoring information by one or more of three methods: (a) by internal report, in which the Transitional General Manager discloses policy 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 delegate or committee assesses compliance with the policy.
- D4.2. In every case, the Board's standard for compliance will be any reasonable Transitional General Manager interpretation (as described by operational definitions and metrics) of the Board policy being monitored. The Board is the final arbiter of reasonableness but we will always judge with a "reasonable person" test rather than with interpretations favored by individual delegates or by the Board as a whole.
- D4.3. The Board will accept that the Transitional General Manager is compliant with a policy if they present a reasonable interpretation and adequate data that demonstrate accomplishment of that interpretation.
- D4.4. The Board will monitor all policies that instruct the Transitional General Manager. 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.
- D4.5. The Board's annual evaluation of the Transitional General Manager, based on a summary of monitoring reports received from January through December, will be completed by March. The Board will make its decisions concerning the evaluation no later than April.

Compliance with this policy will be determined annually at the Board meeting in September.

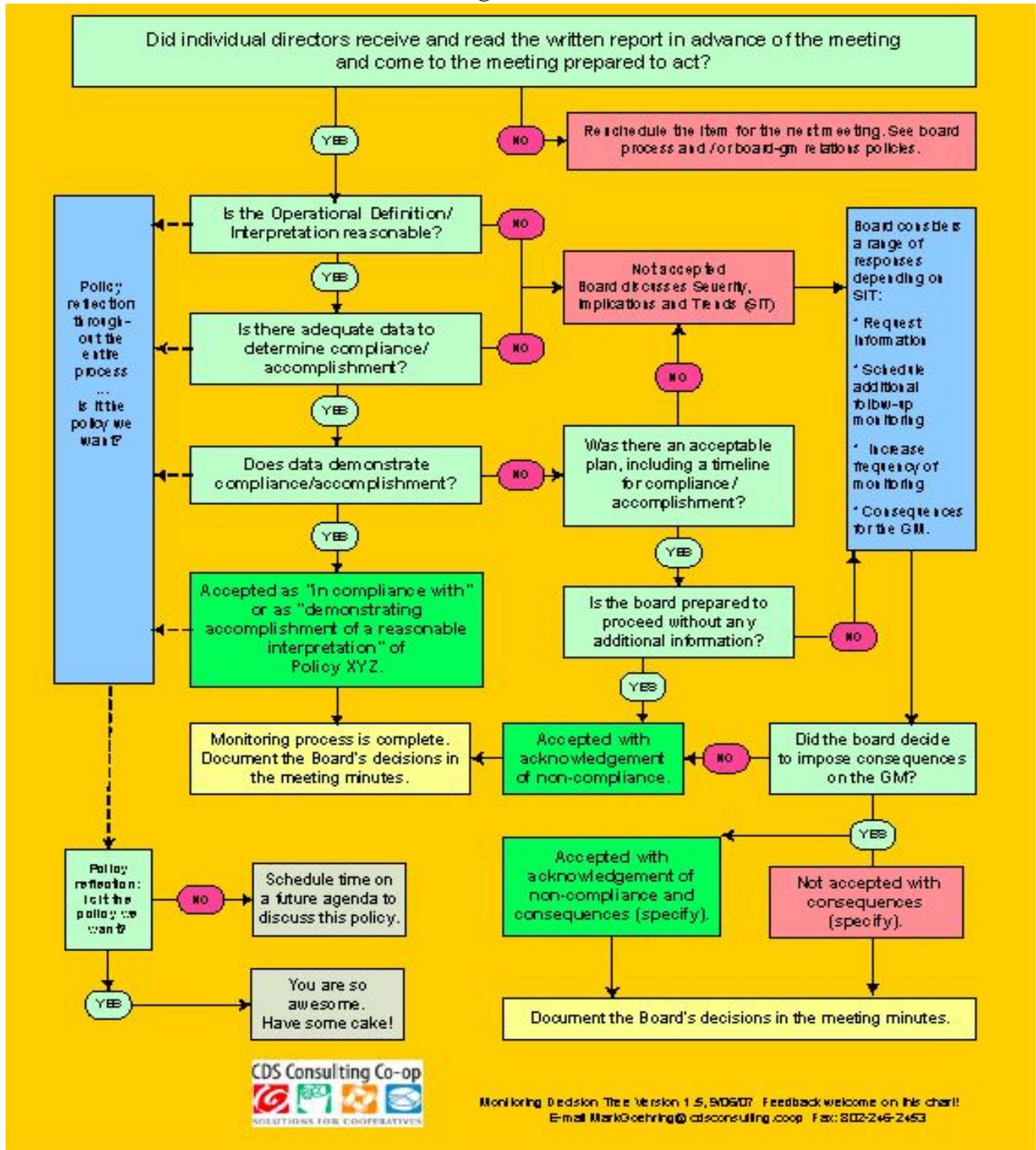
Appendix

**2016-17 Board Calendar and Monitoring Schedule adopted: Nov 2016**

Item	Board Education	Member Engagement	Admin. Agenda Items <sup>2</sup>	Board Monitoring	TGM Monitoring
<b>OCT</b>		Prep for Member Meeting 2 Bylaw focus groups	Finalize TGM Review Process; TGM6-month Review  Register for CBLD events	Reporting schedule not approved yet	
<b>NOV</b>	CBLD- Cooperative Café November 4-Frederick, MD	Review Member Meeting Agenda and assignments	BOD Budget finalized  Review GM Compensation	C: Global Governance D: Global BoD-Mgmt	B1: Financial Condition B: Global Constraint
<b>DEC</b>	Workplace democracy and management structure	Article for Annual Report Member Meeting Dec 3	Election Committee	C1: Governing Style C2: Board's Job	B4: Membership
<b>JAN</b>	Trends in the Natural Food Industry	Prep for Member Meeting  Article about BoD Elections, Candidate Bios	Board assignments for election  Start annual TGM eval process	C3: Agenda Planning	B5: Consumers
<b>FEB</b>	History of U.S. Food co-ops	Review Member Meeting Agenda and assignments	Finalize TGM Compensation Decision  Deadline for BOD Candidates information for ballots	C4: Meetings	B1: Financial Condition B2: Planning & Budgeting
<b>MAR</b>	Co-ops and Gentrification	Member Meeting Mar 18	<b>Board Elections March 17</b> Election of Board Officers TGM Evaluation	C5: Code of Conduct	A: Ends (emphasis staff in this reporting)
<b>APR</b>	Mondragon and Emilia Romagna	Celebrate the new BOD with members	Welcome new delegates Review Member Meeting Agenda	C6: Officers	A: Ends, continued
<b>MAY</b>	Yearly Reflection: What have we learned? How can we integrate this learning/lead into the future?	Summer party?	Farewell to departing delegates  Orientation meeting for new board members  Auditor Presents to the BOD	C7: Committee Principles	B1: Financial Condition B9: Succession
<b>JUN</b>	CCMA - TBD Structural Racism and White Privilege in the Food System	Blog post on CCMA	Set BOD meetings for the year Enroll in CBLD	C8: Governance Investment	B6: Staff
<b>JUL</b>	CBL 101 and Leadership Training - TBD	Prep for Member Meeting	<b>BOD Retreat TBD</b> Start 2017-18 calendar	D1: Unity of Control	B3: Asset Protection
<b>AUG</b>		Review Member Meeting Agenda and assignments	Board Retreat Follow-up	D2: TGM Accountability	B1: Financial Condition
<b>SEP</b>	Yearly Review & update of next year's education plan	Member Meeting	Yearly Review and update of next year's calendar	D3: Delegation to TGM D4: Monitoring TGM	B7: Board Communication  B8: Board Support

<sup>2</sup> In the first year of using Policy Governance (2016-2017), after each monitoring report, the Board will evaluate the policy to ensure that policies are adequate and the intended purpose is clear.

**Decision Tree for Acting on Internal Monitoring Reports from Transitional General Manager**



**MARIPOSA FOOD CO-OP**  
MEMBER OWNED & OPERATED IN WEST PHILADELPHIA



4824 Baltimore Ave.  
Philadelphia, PA 19143  
(215) 729-2121  
www.mariposa.coop

**Code of Conduct Agreement**  
For Board of Delegates

I agree to abide by Board Policy C5 Code of Conduct and any subsequent changes the board makes to that policy. I understand that if, in the opinion of 2/3 of co-op delegates, I have violated the letter or spirit of the Code of Conduct, the board has the ability to vote to remove me from the board in accordance with policy C5.

According to Policy C5 I have an affirmative duty to disclose my actual and potential conflicts of interests, including relationships (such as with associations, organizations of which our co-op is a member, co-op employees and vendors) which may pose a conflict of interest in whole or in part with respect to my service on the board. These are listed below. I understand that I have a duty to disclose any additional actual or potential conflicts that may arise and to abide by board policy regarding participation in matters under consideration by the board.

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Signature of Delegate/Candidate

Date

Note: This form is to be completed by all delegates annually, within one month following board elections.



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**Mariposa Food Co-op**  
**Board Commitment Statement**

I, \_\_\_\_\_, understand that as a member of the Board of Delegates of Mariposa Food Co-op, I have a legal, fiduciary and ethical responsibility to ensure that the organization does the best work possible in pursuit of its goals. As part of my responsibilities as a board delegate:

1. I believe in the purpose and the mission of the organization, and I will act responsibly and prudently as its steward.
2. I will attend all delegate and membership meetings whenever possible and will inform the Convener if I am unable to be present and the reason for my absence. I understand that three (3) consecutive unexcused absences may result in my removal from the board of delegates, as outlined in the bylaws.
3. As a part of my board service, I will serve on a Mariposa committee or contribute to a project approved by the board throughout my board term.
4. I understand that I must disclose any actual or potential conflicts of interest in any matter under consideration by the Board, and that such interest shall be made a matter of record in the minutes of the meeting. I will excuse myself from discussions and votes where I have a conflict of interest.
5. I agree that I will not release, copy, modify, discuss or share in any manner with any individual outside of the current Mariposa Food Co-op Board any confidential information discussed, heard or transcribed that I have knowledge of as a result of my service as a delegate without prior consent of Mariposa's Board. Delegates will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.

6. I will participate in and take responsibility for reading board materials and minutes in a timely manner, making decisions on issues, policies, and other matters. I will stay informed about what's going on in the organization. I will ask questions and request information. I will not stay silent if I have questions or concerns.
7. I will check my e-mail for board communications at least twice a week. If I do not have personal access to e-mail I will set up an account with Mariposa and access my e-mail at the management office, or be proactive in figuring out an arrangement to receive information.
8. I will work in good faith with staff and other board members as partners toward achievement of our goals. I also understand that failure to fulfill these obligations could result in a petition for my removal from the Board of delegates, as provided in the bylaws.
9. If I don't fulfill these commitments to the organization, I will expect the Convener to reach out and discuss my responsibilities with me. I also understand that failure to fulfill these obligations could result in a petition for my removal from the Board of Delegates, as provided in the bylaws.

**In turn, the organization will be responsible to me in the following ways:**

1. I will be sent, without having to request them, meeting agendas, quarterly financial reports and an update of organizational activities that allow me to meet the "prudent person" standards of the law.
2. Opportunities will be offered to the Board of Delegates to discuss with Mariposa's management representative(s) and Convener the organization's programs, goals, activities, and status
3. The organization will help me perform my duties by keeping me informed about issues in the industry and field in which we are working and by offering me opportunities for professional development as a board member.
4. Board members and staff will respond in a straightforward fashion to questions that I feel are necessary to carry out my fiscal, legal, and ethical responsibilities to this organization.
5. If the organization does not fulfill its commitments to me, I can call on the Convener or management representative(s) to discuss the organization's responsibilities to me.

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Print Your Name (delegate)

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Your Signature

Date \_\_\_\_\_

### **Sample Committee Charter**

COMMITTEE:                   NOMINATION AND RECRUITMENT

DATE CHARTERED:

END OF TERM:

The primary purposes of the Nomination and Recruitment Committee will be to:

1. Identify and recruit a pool of well-qualified Board candidates according to Board policy.
2. Develop an application and screening process.
3. Provide a brief written report to the Board monthly about the activities of this committee.
4. Submit to the Board in a timely way names of recommended nominees for election or appointment.

### **Policy Governance Quick Guide**

Policy Governance is an operating system for boards of delegates. As with operating systems for computers, the system itself is not the point of the board's work; the system simply provides an underlying framework on which boards can build further agreements and activities. Policy Governance does not mandate specific decisions, but does highlight the kinds of decisions a board should make. These decisions include agreements about how the board will work together, how the board will empower and hold accountable the cooperative's management, how the board will articulate the cooperative's purpose and set up the cooperative for movement in that direction, and how the board understands the role of member-owners and others in the governance of the cooperative.

The Policy Governance operating system is essentially an integrated set of principles – principles that gain their power when used together. Key to the principles is the meaning of the word “policy.” Within the context of Policy Governance, policies are the proactive articulation of values or principles that guide action.

Policy Governance principles:

#### **1. Ownership**

The cooperative is owned by its members. The board exists to act and make decisions on behalf of and in the best interest of the owners.

#### **2. Position of Board**

The board is a distinct link in the chain of empowerment and accountability within the cooperative. The owners empower the board through the bylaws, and the board is accountable to owners for the success of the cooperative. In turn, the board empowers and holds management accountable, delegating authority to management through Ends and Executive Limitations policies.

#### **3. Board Holism**

The authority of the board belongs to the whole. To say that the board “speaks with one voice” means that the board's authority is a group authority. The “voice” of the board is expressed through the written policy decisions. Directors can work to persuade and influence the board in its deliberations and decision-making; beyond that, individual delegates or subsets of the board have no authority to instruct staff.

#### **4. Board Means Policies**

The board defines in writing its own job and how it operates. These decisions are agreements about the board's means, categorized as Board Process policies and Board-Management Relationship policies.

#### **5. Clarity and Coherence of Delegation**

The board unambiguously identifies the authority and responsibility of any person (e.g., Transitional General Manager or board president) or committee to whom the board delegates.

No individual delegate, officer, or committee can be delegated responsibility that interferes with or duplicates responsibility delegated to the Transitional General Manager.

#### **6. Ends Policies**

The board defines in writing the cooperative's purpose in terms of: intended effects/benefits to be produced, intended recipients of those benefits, and (if desired) the intended cost-benefit or priority of those benefits. (Any decisions about issues that don't fit the definition of Ends are *means* decisions.)

#### **7. Executive Limitations Policies**

The board defines in writing its expectations about the means of the cooperative. Rather than prescribing board-chosen means, Executive Limitation policies define limits on operational means – essentially, defining boundaries on the Transitional General Manager's authority. Executive Limitation policies describe means that are not allowed even if they are effective. The board retains the authority to make decisions that are outside of the Transitional General Manager's authority.

#### **8. Policy sizes**

The board decides the four types of policies first at the broadest, most inclusive level. The board can then further define each policy in further levels of detail until reaching a point at which the board can accept any reasonable interpretation of the written policy.

#### **9. Any Reasonable Interpretation**

More detailed decisions about Ends and operational means are delegated to the Transitional General Manager, who has the right to use any reasonable interpretation of the board's written policies. A reasonable interpretation will include more detailed and/or clarified meaning of the board's policy, along with operational definitions (the metrics and benchmarks used to gauge accomplishment). More detailed decisions about board means (and the right to use any reasonable interpretation of those written policies) are delegated to the board chair – unless part of the delegation is explicitly directed to another officer or committee.

#### **10. Monitoring**

The board must check to ensure that the cooperative has achieved (or made progress toward) the Ends while operating within the Executive Limitation boundaries. The board judges the Transitional General Manager's interpretation and operational definition for reasonableness, and judges whether the data demonstrates accomplishment of that interpretation and operational definition. The ongoing monitoring of Ends and Executive Limitations policies constitutes the Transitional General Manager's performance evaluation. The board must monitor its own performance according to the stated board means policies.

### **International Cooperative Principles**

The International Cooperative Principles were last revised in 1995 by the International Cooperative Alliance as part of the Statement on the Cooperative Identity. The Statement also includes a definition, “A cooperative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise,” and a statement of values, “Cooperatives are based on the values of self-help, self-responsibility, democracy, equality, equity, and solidarity. In the tradition of their founders, cooperative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.” The cooperative principles are guidelines by which cooperatives put their values into practice.

1. **Voluntary and Open Membership:** Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.
2. **Democratic Member Control:** Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. People serving as elected representatives are accountable to the membership. In primary cooperatives members have equal voting rights (one member, one vote), and cooperatives at other levels are also organised in a democratic manner.
3. **Member Economic Participation:** Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any or all of the following purposes: developing their cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.
4. **Autonomy and Independence:** Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.
5. **Education, Training and Information:** Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public – particularly young people and opinion leaders - about the nature and benefits of cooperation.
6. **Cooperation Among Cooperatives:** Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.
7. **Concern for Community:** Cooperatives work for the sustainable development of their communities through policies approved by their members.