



## **Policy Governance**

Policy Types I – IV: Approved August 18, 2008, by  
The Board of Directors  
Roanoke Co+op  
Roanoke, Virginia  
(Revised May 31, 2018)

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## **POLICY TYPE I: EXECUTIVE LIMITATIONS** (revised January, 2015)

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-A: Global Executive Constraint**

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

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-B: Treatment of Consumers**

*The General Manager shall not be unresponsive to customer needs.*

The GM will not:

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

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-C: Membership**

*The General Manager shall not fail to establish, maintain, and promote a vital membership program that builds a sense of ownership among members. The General Manager must not allow members to be uniformed or misinformed of their rights and responsibilities.*

The GM will not:

1. Elicit information which is illegal or for which there is no clear necessity
2. Fail to provide opportunities for members to participate in the Cooperative
3. Create or implement a member equity system without the following qualities:

- a. The required 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 lead to a net decrease in total member paid-in equity, or would risk, cause or exacerbate non-compliance with any Financial Condition policy
4. Implement a patronage dividend system that does not:
- a. Comply with IRS regulations
  - b. Allow the Board to examine a range of options and implications, so the Board can make a timely determination each year concerning how much, if any, of the Cooperative's net profit will be allocated and distributed to members

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-D: Staff Treatment and Compensation**

*With respect to relations with staff, the General Manager shall not cause or allow conditions which are unfair, unsafe, or unclear.*

The GM will not:

- 1. Cause or allow discrimination among employees and potential employees based on other than business related criteria, individual performance, and qualifications
- 2. Operate without written personnel policies that:
  - a. Clarify rules for staff
  - b. Provide for effective handling of grievances
  - c. Protect against nepotism
  - d. Are accessible to all employees and
  - e. Inform staff that employment is neither permanent nor guaranteed
- 3. Cause or allow personnel policies to be inconsistently applied
- 4. Fail to provide for appropriate documentation, security and retention of personnel records and all personnel related decisions

5. Directly supervise or manage the work of any person who is a spouse, partner, immediate family member or person with whom a romantic or close familial relationship exists
6. Change the GM's own compensation and benefits, except as his or her benefits are consistent with a package for all other employees. *(Note: this was taken from our previous I-E Compensation and Benefits section which has now been combined with I-D)*
7. Establish compensation and benefits that are internally or externally inequitable

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-E: Financial Activities and Conditions**

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

The GM will not:

1. Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business
2. Use restricted funds for any purpose other than that required by the restriction
3. Allow liquidity, or the ability to meet cash needs in a timely and efficient fashion, to be insufficient
4. Fail to settle contracts, payroll, loans or other financial obligations in other than a timely manner
5. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed
6. Allow operations to generate an inadequate net income
7. Allow growth in ownership and owner paid-in equity to be insufficient
8. Acquire, encumber, or dispose of real estate
9. Allow financial record keeping systems to be inadequate or out of conformity with GAAP (generally accepted accounting practices)
10. Allow sales growth to be inadequate

11. Allow solvency (the relationship of debt to equity) to be insufficient
12. Default on any terms that are part of the Cooperative's loans

### **Capitalization Policy**

(established on July 21, 2014, retroactively for the year beginning January 1, 2013)

Roanoke Cooperative Association LTD hereby adopts the following policies, which collectively will be referred to as our Capitalization Policy:

1. All assets (whether an improvement, betterment, restoration, or adaption) or material and supplies expenditures of \$500 or less will be written off for our book financial statement purposes when paid or incurred. These items will not be considered whether they are, in fact, an improvement, betterment, restoration or adaption, but will be written off as an ordinary and necessary business expense.

2. All assets or material and supplies expenditures of greater than \$500 or less than \$1,500 will be reviewed by management for consideration of write off for book purposes. If such expenditure is determined to be in fact written off by management, we will separately accumulate those amounts from other amounts that are not.

3. This includes any and all assets, whether leased, leasehold improvements, financed, or paid for outright by Roanoke Cooperative Association LTD.

4. The \$500 will be measured on a per item, per invoice basis.

5. This policy does not apply to purchases for land, inventory or any expenditure that we elect to capitalize and depreciate.

6. Any asset expenditure that is expected to last one year or less when placed in service in our trade or business, no matter what dollar amount of expenditure, will be written off when the expenditure is paid or incurred, in accordance with our regular method of accounting method employed in our income tax return preparation

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-F: Planning and Financial Budgeting**

*The General Manager shall not operate without annual and multi-year budgets and plans that address intentional and improved Ends accomplishment along with avoidance of fiscal jeopardy.*

The GM will not

1. Cause or allow plans or budgets that:

- a. Omit credible projection of revenues and expenses, owner investment and return, separation of capital and operational items, cash flow, and disclosure of planning assumptions
  - b. Contain insufficient information to support assumptions
  - c. Do not protect the long-term health of the Co-op as described in Financial Conditions policy, or risk incurring those conditions described as unacceptable
  - d. Do not address excellence in business systems and operations
  - e. Have not been tested for feasibility
2. Provide less for Board prerogatives during the year than is set forth in the Board budget

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-G: Asset Protection**

*The GM shall not allow assets to be unprotected, unreasonably risked, or inadequately maintained.*

The GM will not allow:

1. Inadequate security of premises and property
2. Uncontrolled purchasing or purchasing subject to conflicts of interest
3. Lack of due diligence in contracts and real estate acquisitions
4. Equipment and facilities to be uninsured, inadequately insured, or otherwise unable to be replaced if damaged or destroyed (including coverage for any losses incurred due to business interruption)
5. Unnecessary exposure to liability or lack of insurance protection from claims of liability
6. Allow data, intellectual property, or files to be unprotected from loss, theft or significant damage; or allow improper usage of members' and customers' personal information
7. Damage to the Co-op's goodwill, its public image, or its credibility

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-H: Emergency GM Succession**

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

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-I Communication and Support to the Board**

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

The GM will not:

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
2. Report in an untimely manner any actual or anticipated noncompliance with any Board policy, along with a plan for reaching compliance and a proposed schedule regarding follow-up reporting
3. Allow the Board to be unaware of relevant trends, public events, legal actions, and media coverage of the Co-op; or internal and external changes which affect the assumptions upon which Board policy has previously been submitted
4. Fail to advise the Board if, in the GM's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the GM
5. Fail to supply for the Board's consent agenda, all decisions delegated to the GM yet required by law, regulation, or contract, to be Board-approved
6. Deal with the Board in a way that fails to respond to officers, directors or committees duly charged by the Board

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-J: Board Logistical Support**

*The GM shall not allow the Board to have inadequate logistical support.*

The GM will not:

1. Provide the Board with insufficient staff administration to support governance activities and Board communication
2. Allow the Board to be without a workable mechanism for official board, officer or committee communications
3. Allow directors to be without an updated copy of the Policy Register and the Bylaws
4. Provide inadequate information and notice to members concerning Board actions, meetings, activities and events
5. Allow insufficient archiving of Board documents

**POLICY TYPE: Executive Limitations**

**POLICY TITLE: I-K: GM Expenditures on Behalf of the Co-op**

*The General Manager shall not fail to acquire Board approval for all expenses incurred on behalf of the Co-op.*

The GM will not:

1. Fail to provide adequate reporting and receipts of his expenditures to the Finance Manager
2. Fail to keep meal costs in line with U.S. General Services Administration's meals rates, and to submit receipts
3. Fail to submit receipts for any travel expenses that are to be reimbursed
4. Fail to submit receipts for purchases for products and services necessary for Co-op business operations

## **POLICY TYPE II: BOARD MANAGEMENT DELEGATION**

**POLICY TYPE: Board Management Delegation**

**POLICY TITLE: II-A: Global Governance-Management Connection**

*The Board's sole official connection to the operational organization, its achievements, and its conduct, will be through the General Manager.*

**POLICY TYPE: Board Management Delegation**

**POLICY TITLE: II-B: Unity of Control**

*Only officially passed motions of the Board are binding on the GM.*

Accordingly:

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

**POLICY TYPE: Board Management Delegation**

**POLICY TITLE: II-C: Accountability of the GM**

*The GM is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the GM.*

Accordingly:

1. The Board will never give instructions to persons who report directly or indirectly to the GM.
2. The Board will not evaluate, either formally or informally, any staff other than the GM.
3. The Board will view GM performance as identical to organizational performance so that organizational accomplishment of Board-stated Ends Policies and compliance with Board-stated Executive Limitations policies will be viewed as successful GM performance.

**POLICY TYPE: Board-Management Delegation**

**POLICY TITLE: II-D: Delegation to the GM** (revised December 2012)

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

Accordingly:

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

**POLICY TYPE: Board-Management Delegation**

**POLICY TITLE: II-E: Monitoring GM Performance**

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

Accordingly:

1. Monitoring is simply to determine the degree to which Board policies are being met. Information that does not do this will not be considered to be monitoring information.
2. The Board will acquire monitoring information by one or more of three methods: (a.) by internal report, in which the GM discloses interpretations and compliance information to the Board; (b.) by external report, in which an external, disinterested third party selected by the board assesses compliance with Board policies; or (c.) by direct Board inspection, in which a designated member or members of the Board assess compliance with the appropriate policy criteria.
3. In every case, the Board will judge (a.) the reasonableness of the GM's interpretation and (b.) whether data demonstrate accomplishment of the interpretation.
4. In every case, the standard for compliance shall be any reasonable GM interpretation of the Board policy being monitored. The Board is the final arbiter of reasonableness but will always judge with a "reasonable person" test rather than with interpretations favored by Board members or by the Board as a whole.
5. All policies that instruct the GM will be monitored at a frequency and by a method chosen by the Board. The Board can monitor any policy at any time by any method but will ordinarily follow the schedule outlined in the Board Annual Calendar.
6. The Board's annual evaluation of the General Manager, based on a summary of monitoring reports received from January 1 through December 31, will be completed by the April board meeting. The Board will make its decisions concerning the evaluation, the employment contract, and compensation adjustment no later than April 30. (revised December 2013)

## **POLICY TYPE III: GOVERNANCE PROCESS**

**POLICY TYPE:**                   **Governance Process**

**POLICY TITLE:**               **III-A: Global Governance Commitment**

*The purpose of the Board, on behalf of our owners, is to see to it that our co-op (A) achieves appropriate results for appropriate persons at an appropriate cost (as specified in Board Ends policies) and (B) avoids unacceptable actions and situations (as prohibited in Board Executive Limitations policies).*

**POLICY TYPE:**                   **Governance Process**

**POLICY TITLE:**               **III-B Governing Style**

*The Board will govern lawfully, observing the principles of the Policy Governance model, with an emphasis on*

- (a) outward vision rather than an internal preoccupation,*
- (b) encouragement of diversity in viewpoints,*
- (c) strategic leadership more than administrative detail,*
- (d) clear distinction of Board and Chief Executive roles,*
- (e) collective rather than individual decisions,*
- (f) future rather than past or present, and*
- (g) proactivity rather than reactivity.*

Accordingly:

1. The Board will cultivate a sense of group responsibility. The Board will be responsible for excellence in governing and be the initiator of policy. The Board will not use the expertise of individual members to substitute for the judgment of the Board, although the expertise of individual members may be used to enhance the understanding of the Board as a body.
2. The Board will direct, control, and inspire the organization through the careful establishment of broad written policies reflecting the Board's values and perspectives. The Board's major policy focus will be on the intended long-term impacts outside the staff organization, not on the administrative or programmatic means of attaining those effects.
3. The Board will enforce upon itself whatever discipline is needed to govern with excellence. Discipline will apply to matters such as attendance, preparation for meetings, policymaking principles, respect of roles, and ensuring the continuance of governance

capability. Although the Board can change its Governance Process policies at any time, it will scrupulously observe those currently in force.

4. Continual Board development will include orientation of new Board members in the Board's Governance Process and periodic Board discussion of process improvement.

5. The Board will allow no officer, individual, or committee of the Board to hinder or serve as an excuse for not fulfilling group obligations.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-C: Board Job Products**

*The job of the Board is to represent the member-owners in ensuring appropriate organizational performance.*

Accordingly, the Board has direct responsibility to create:

1. The linkage between the ownership and the operational organization
2. Written governing policies that realistically address the broadest levels of all organizational decisions and situations
  - a. Ends: organizational products, impacts, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost)
  - b. Executive Limitations: constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place
  - c. Governance Process: specification of how the Board conceives, carries out, and monitors its own task
  - d. Board-Management Delegation: how power is delegated and its proper use; the GM's role, authority, and accountability
3. Assurance of successful organizational performance on Ends and Executive Limitations (2a and 2b above); and assurance of Board performance (2c and 2d above).
4. A Board that can continue to lead into the future, using as our tools: recruitment, training, and ongoing professional development, including monitoring and self-evaluation.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-D: Agenda Planning**

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

Accordingly:

1. The Board's annual governance cycle will run from January 1 to December 31.
2. The cycle will start with the Board's development of its agenda for the next year.
  - a. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be determined and arranged in the first quarter, to be held during the balance of the year
  - b. Governance education and education related to Ends determination will be planned in the first quarter, to be held during the balance of the year
3. Throughout the year, the Board will attend to consent agenda items as expeditiously as possible.
4. The Board will limit the amount of meeting time taken up by monitoring reports, discouraging discussion unless the reports indicate policy violations, or the policy criteria themselves need review.
5. The Board will create and modify as necessary an annual calendar that includes the items mentioned in this policy, membership meetings, Board training schedule, monitoring schedule, and the GM evaluation and compensation decisions as outlined in Policy "Monitoring GM Performance", II-E.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-E: Board Meetings (revised May 2011)**

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

Accordingly:

1. Meetings will be open to the membership except when executive session is officially called.
2. Directors may request an executive session but:
  - a. The purpose of the session must be stated
  - b. The Board may include no one else or anyone else it chooses
  - c. Authority to declare the session is the President's unless overridden by a simple majority

- d. When possible, announcement of the executive session should be on the published agenda
3. We will use Board meeting time only for work that is the Board's responsibility.
4. Meetings are chaired by the President. A relaxed version of Robert's Rules of Order is observed except where the Board has superseded them with policy statements. Minutes will be recorded.
5. The agenda is set by the Board President. Any Director may add or delete items from the agenda, subject to majority agreement. To request addition of an item to the printed agenda, the Board President will be contacted in a timely manner.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-F: President's Role**

*The President ensures the integrity of the board's process and, secondarily, occasionally represents the Board to outside parties.*

Accordingly:

1. The assigned result of the Chief Governing Officer's (CGO) job is that the Board behaves consistently with its own rules and those legitimately imposed on it from outside the organization.
2. The authority of the CGO consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Management Delegation, with exception of (a) employment or termination of a GM and (b) areas where the Board specifically delegates portions of this authority to others. The CGO is authorized to use any reasonable interpretation of the provisions in these policies.
3. The president has the following specific duties:
  - a. The CGO is empowered to chair board meetings
  - b. The CGO has no authority to make decisions about policies created by the Board within Ends and Executive Limitations policy areas. Therefore, the CGO has no authority to supervise or direct the GM
  - c. The CGO may represent the Board to outside parties in announcing Board-stated positions and in stating chair decisions and interpretations within the area delegated to her or him
  - d. The CGO may delegate this authority but remains accountable for its use
  - e. The CGO ensures that other Board officers and directors carry out their duties

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-G: Vice-President's Role**

*The Vice-President's role is to help the Board maintain the relationship between the Board and the Member-owners.*

Accordingly:

1. The Vice-President will ensure that the election and referenda process follows the Board's policies.
2. The Vice-President will be the liaison between the Board and the GM to ensure that all special events like Member Meetings are structured in a way that helps the Board do its work.
3. In accordance with our bylaws, the Vice-President will perform the duties of the President in her/his absence.

**POLICY TYPE: Governance Process**

**POLICY TYPE: III-H: Treasurer's Role**

*The Treasurer's role is to help ensure that the Board creates and follows good policy relating to the financial condition of the cooperative and the Board itself.*

Accordingly,

- 1 The Treasurer will create and monitor the Board's (not the co-op's) budget in accordance with policy III-M.
- 2 The treasurer will chair any committee charged with researching financial policies, or with hiring an auditor.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-I: Secretary's Role** (revised July 2016)

*The Secretary's role is to ensure the integrity of the Board's documents.*

Accordingly

1. The Secretary will ensure that all board documents and filings are timely and accurate.
  - a. The Secretary will act as the Board’s liaison with the Board Administrator by by (1) assuring that all meeting minutes are accurate and well-formatted; and (2) assuring that all Board documents (electronic and paper) are safely archived for an appropriate length of time
  - b. The Secretary will assure that the policy register is updated to reflect changes approved by the Board; that policies are coherent and adhere to the Policy Governance model; and that the latest electronic and print version is made available to the GM for distribution to the Board members.
2. In accordance with our bylaws, the Secretary will certify by her/his signature the results of voting in all elections and referenda put to the membership of the Co-op.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-J: Board Members’ Code of Conduct**

*The Board commits itself and its members to ethical, businesslike, and lawful conduct, including proper use of authority and appropriate decorum when acting as Board members.*

Accordingly:

1. Members must demonstrate loyalty to the ownership, unconflicted by loyalties to staff, other organizations, or any personal interests as consumers.
2. Members must avoid conflict of interest with respect to their fiduciary responsibility.
  - a. There will be no self-dealing or any conduct of private business or personal services between any Board member and the organization except as procedurally controlled to assure openness, competitive opportunity, and equal access to “inside” information
  - b. When the Board is to decide on an issue about which a member has an unavoidable conflict of interest, that member shall absent himself/herself without comment not only from the vote but also from the deliberation
3. Board members may not attempt to exercise individual authority over the organization.

- a. Members’ interactions with the GM or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the Board
  - b. Members’ interactions with the public, the press, or other entities must recognize the same limitation, and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions
  - c. Except for participation in Board deliberation about whether the GM has achieved any reasonable interpretation of Board policy, members will not express individual judgments of performance of employees or the GM
4. Members will respect the confidentiality appropriate to issues of a sensitive nature.
  5. Members will be properly prepared for Board deliberation.
  6. Members will support the legitimacy and authority of the Board’s decision on any matter, irrespective of the member’s personal position on the issue.

**POLICY TYPE: Governance Process**

**POLICY TITLE: III-K: Board Committee Principles** (revised August, 2012)

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

Accordingly:

1. Committees will reinforce and support the wholeness of the Board. In particular, committees help the whole Board move forward when they research alternatives and bring back options and information.
2. Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.
3. The Board will establish, regularly review and control committee responsibilities in written committee charters. The Board will carefully state committee expectations and authority to make sure they do not conflict with authority delegated to the GM.

**POLICY TYPE: Governance Process** (revised August 2012)

**POLICY TITLE: III-L: Governance Investment**

*The board will invest in its governance capacity.*

Accordingly:

1. Board skills, methods, and supports will be sufficient to ensure governing with excellence.
  - a. Training and retraining will be used liberally to orient new members and candidates for membership, as well as to maintain and increase existing member skills and understandings
  - b. Outside monitoring assistance, including but not limited to financial audits, will be arranged if, in the Board's opinion, any circumstances deem them necessary, so that the Board can exercise confident control over organizational performance
  - c. Outreach mechanisms will be used as needed to ensure the Board's ability to listen to owner viewpoints and values
2. Costs will be prudently incurred, though not at the expense of endangering the development and maintenance of superior capability.
3. The Board will establish its cost of governance budget for each fiscal year

## **POLICY TYPE IV: ENDS**

**POLICY TYPE:**     **Ends**

**POLICY TITLE:**   **IV-A: Global Ends** (revised March 2018)

**REVISED:**        **March 19, 2018**

Roanoke Co+op exists so that our member-owners, customers, and the community benefit from:

- a) Equitable economic relationships
- b) Positive environmental impacts
- c) Healthful foods and products
- d) Inclusive, socially responsible practices
- e) Educational resources

## **Adjunct Documents**

### **Board Committees and Charters**

#### **Bylaws Review and Reconciliation Committee**

The purpose of this committee is to review Roanoke Natural Foods' Charter and Bylaws in order to determine if they are up to date, reflect our current practices, governance policy, and are in compliance with state law.

#### **Education Committee**

The purpose of this committee is to develop and facilitate the board study program related to strategic leadership that was approved at the 2010 RNFC Board Retreat as well as to engage the board in self-development.

#### **Electronic Communications Committee**

The purpose of this committee is to keep open, efficient and secure communication available, electronically. The group will work with the store operations and outside sources to achieve this end.

#### **Farm Committee**

The purpose of the committee is to engage in strategic discussion between board and management in order to promote unity of purpose, vision and expectation. This committee will meet at set times in 2014 and reevaluate its charter at the last meeting of 2014. The president of the board will chair the committee. The board will seat up to three board members on the committee and the GM will seat up to three staff members on the committee.

#### **Nomination Committee**

The purpose of this committee is to solicit and qualify nominees for board elections, and to develop an application and screening process.

## **Travel, Meal and Lodging Policy**

Roanoke Natural Foods Co-op (RNFC) will reimburse its board members for reasonable pre-approved expenses incurred on behalf of the RNFC. Board members must be given authorization in advance by the board president to incur any expense on behalf of the board. Travel, meal and lodging expenses for persons traveling with an approved board member are the responsibility of the board member, not RNFC.

When a board member travels on pre-approved board business they will be reimbursed for all pre-approved expenses incurred as a result of their travels. In most cases, transportation (car rental, air transportation) and lodging will be pre-arranged and pre-paid by RNFC.

If a board member is approved to use their personal vehicle for board travel, fuel and depreciation will be reimbursed at a reasonable rate based on current IRS guidelines. Total allowed mileage will be the lesser of the shortest map distance(s) between RNFC and the destination, or recorded odometer readings. Note that RNFC does not carry auto insurance for board members' personal vehicles. Taxi/bus travel to and from airports will be reimbursed on the basis of receipts.

If a board member travels out of town on pre-approved RNFC business, meals will be reimbursed on the basis of receipts for an amount not to exceed forty dollars (\$40) per day. RNFC will not reimburse for alcohol purchases. Meals will not be reimbursed if an individual chooses to eat elsewhere when group meals are provided. The board president, using the U.S. General Services Administration's meals and incidentals rates for the event city as guidance, can make exceptions to the above rates.

To receive reimbursement for trip expenses, board members must turn in all receipts and other paperwork to the board president for approval within 10 days. Each receipt must clearly state the date, the nature and purpose of the expense, and be authorized for payment by the board president.