

2016 Board of Directors Information & Candidate Application

Thank you for your interest in serving as a member of the Concord Food Co-op's Board of Directors. This is an exciting time to be involved in the Co-op! With a new General Manager, and over 7,000 Member-Owners, the Co-op is a thriving, important part of this community.

The Board of Directors plays a critical role in ensuring the continued success and health of this vital organization. The Board represents the Co-op's Member-Owners and is responsible for the overall administration of the Co-op. However, the Board is engaged primarily in developing the vision and long-term viability of the Co-op. The Co-op's General Manager, not the Board, runs the store, and is responsible for direct control over its daily operations.

The Member-Owners of the Co-op elect Board members during the Co-op's Annual Meeting in the fall of each year. Candidates must be fully-invested Members in good standing. This year's election will fill four seats, three for a three-year term, and one for a one-year term. The three top vote-getters will each be seated for a three-year term, with the fourth place finisher serving a one-year term.

In this packet you will find:

- Frequently asked questions
- A list of Board Member Responsibilities and Expectations
- Overview of the Policy Governance Model
- A Candidate Application form

Please read over the enclosed information carefully before filling out the application. Please feel free to contact us with any questions that you may have; we look forward to working with you!

You may contact the Nominating committee of the board via email:
nominating@concordfoodcoop.coop

The Co-op Board has adopted a policy to officially certify one or more candidates, who meet a minimum set of qualifications. This certification process helps both candidates and the Board by ensuring that the candidates understand the Board's work before committing to serve. See specifics below regarding what this certification entails.

To receive a certification from the Board of Directors, you must:

1. Attend, or have attended, at least one regular monthly meeting of the Board of Directors in **June or July 2016**. Board meetings are typically the third Wednesday of the month from 5:30-7:30 pm.
2. Attend the Board's annual retreat to be held on **October 21-22** (if elected).
3. Agree to abide by the Director's Code of Ethics and Code of Conduct – Statement of Agreement.
4. Current Co-op employees and their immediate family members may not serve on the Board of Directors.
5. Former Co-op employees (and their immediate family members) who reported to the Coop's current General Manager are excluded from serving on the Board of Directors until such time as the General Manager has vacated the position.
6. Candidates must not have a conflict of interest (self-identified or as identified by the Nominating Committee) that would prevent the candidate from full participation in important board discussions and voting.
7. Submit the completed candidate application (pages 9-10 of this packet), including the statement of interest, to the Nominating Committee by **5:00 pm on Friday, July 1, 2016** in one of the following ways:

Via US Mail:
Attention: Nominating Committee
Concord Food Cooperative, Inc.
24 South Main Street
Concord, NH 03301

Via Email:
nominating@concordfoodcoop.coop

A Co-op member may run for a Board position **without a Board certification**.

To run for a seat without Board certification, you must:

1. Submit a petition by **5:00 pm on Friday, July 1, 2016**, signed by at least 25 fully vested Co-op Member-Owners in good standing.
2. Submit the completed candidate application (pages 9-10 of this packet), including the statement of interest, to the Nominating Committee by **5:00 pm on Friday, July 1, 2016** in one of the ways set forth above.

Notwithstanding the above, any candidate who has submitted a completed application within the previous 3 years need not submit a new application, but shall instead submit a statement setting forth any changes from the prior application by **5:00 pm on Friday, July 1, 2016**, so that the candidate's information and interest is complete and up-to-date.

Frequently Asked Questions for Prospective Candidates

What is the Board of Directors and what does it do?

The Board of Directors is the governing body representing the Member-Owners of the Concord Food Cooperative Incorporated. It is composed of nine Member-Owners, elected by Member-Owners. All Directors represent the Ownership at large rather than any special subgroup. Terms for Directors are for three years.

The Board is responsible for ensuring organizational performance of our cooperative on behalf of all of Concord Food Cooperative Member-Owners. This work includes developing clearly stated expectations through written policies; delegating responsibility for, and authority over, the achievement of stated objectives; and monitoring compliance with written policies. The Board is also responsible for linkage with Member-Owners.

By devoting time to focus on the big-picture vision of the Concord Food Cooperative, the Board will ensure that we adequately position our organization for the maximum benefit of our Member-Owners, as well as anticipate trends and values which may have a critical impact on our relevance and survival.

The Board governs the organization and delegates all operational duties to one employee, the General Manager. The Board is involved in strategic planning, financial oversight, Member-Owner linkage, and community outreach.

What does the Board of Directors NOT do?

The Board of Directors does not make decisions about, become involved with, or take part in the day-to-day activities or decisions regarding the operation of the Cooperative's stores. The Board's sole official connection to the operations of the Cooperative is through the General Manager.

What are the requirements for running?

Directors must be Member-Owners of Concord Food Cooperative, Inc. in good standing, with the required number of shares, without a substantial conflict of interest resulting from an affiliation with any enterprise that is in competition with the Co-op. Once elected, Directors must sign a Statement of Agreement and publicly disclose any potential conflicts of interest. As for personal qualifications, governance experience is helpful, but not a prerequisite for Directorship. More important are: willingness to work closely and cooperatively with the other Directors; commitment to providing the time and energy necessary to accomplish the Board's objectives and fulfill the required term; the ability to learn quickly; and organizational skills.

How much time would I need to put into serving?

The Board holds one regular meeting for 2-3 hours each month, at which attendance is expected. Beyond this regular meeting, the time commitment for a Director typically averages out to an additional 1-2+ hours per week (more for Board officers), including preparation for regular monthly meetings as well as specially called Board meetings, and participation on committees. Attendance at major store events and functions is also expected. In addition, the Board holds a mandatory orientation session soon after the elections, providing basic training about the cooperative, plus giving new Directors a chance to relax and get to know each other better. Each new Board member is strongly encouraged to attend a daylong orientation on Policy Governance for food cooperatives, presented by Cooperative Development Services, typically offered in Brattleboro, VT, at no cost to the Board member.

What compensation is there for serving?

Board members are volunteers, but each Director receives the same 25% store discount that employees receive (excludes beer, wine, sushi, buying club, membership shares, and gift cards). Typically dinner is served at the regular evening board meetings. The Co-op pays for board training experiences, such as those sponsored by Cooperative Development Services. In addition, Board members are covered by the Co-op's Officers' and Directors' liability insurance policy.

What if I believe I may have a conflict of interest?

Candidates are encouraged to contact the Nominating Committee to discuss potential conflicts (both actual and perceived) should they have any questions. Such conflicts may include employees or owners of businesses that offer similar products for sale as the Co-op, former and current employees who have reported to the Co-op's current General Manager.

I'm sure I have the time to commit, and I want to serve Concord Food Cooperative; how else can I make up my mind whether or not to run?

You may obtain additional information about serving on the Board of Directors by talking to a member of the Nominating Committee or any of the current Directors to get a personal perspective of what service on the Concord Food Cooperative Board of Directors is all about.

Member-Owners are always welcome to attend the meetings of the Board of Directors on the third Wednesday of most months at 5:30 pm. You can see how the Board functions and meet the current Directors. You may gain useful perspectives on the issues currently facing Concord Food Cooperative.

Additionally, the Board meeting agendas and minutes are posted on the Co-op's web site.

When will elections be held?

The annual meeting will be held October 16, 2016. Voting occurs up to thirty days prior and concludes at the annual meeting.

I've decided to run and would like a Board certification. What do I do?

Please read this package carefully. Complete the enclosed application and submit it, and a photo of yourself, electronically to nominating@concordfoodcoop.coop by **5:00 pm on Friday, July 1, 2016**.

Director Responsibilities and Expectations

Please read carefully and thoughtfully. Your signature on this application indicates that you are willing to meet these responsibilities and expectations while executing your board duties.

In general, members of a co-op Board of Directors have the same duties as the Directors of any business. In addition, Concord Food Cooperative's Board 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, Directors must be able to:

- Uphold fiduciary duty on behalf of Concord Food Cooperative Inc. Member-Owners.
- Exercise due diligence in monitoring Concord Food Cooperative Inc. financial condition.
- Abide by all items contained in the Statement of Agreement, to be provided to each candidate.
- Maintain confidentiality when required.
- Faithfully honor all legal obligations that come with Directorship,
- Meet a 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).
- Meet a 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).
- Meet a 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).

In addition, Co-op Board Members are expected to:

- Commit to serving a solid three-year term on the Board.
- Shop regularly at the Co-op.
- Be familiar with and adherence to the Co-op's Bylaws and Board Policies.
- Prepare for and attend monthly Board meetings.
- Attend Board training sessions and annual retreat.
- Attend Annual Member-Owner Meeting.
- Actively participate in the Board's meetings, committee work, training sessions and recruiting activities.
- Be able to generally understand financial statements.

- Have a genuine interest in cooperative principals and issues and in the larger cooperative community.
- Have a willingness to take responsibility for Board duties and work together with understanding, mutual support, and respect to make decisions that will enhance the viability of the Co-op.

Cooperative Principles & Values

Please read carefully and thoughtfully; your signature on this application indicates that you are willing to follow these principles and values while executing your Board duties.

Cooperative Principles

Voluntary and Open Membership - Cooperatives are voluntary organizations, 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.

Democratic Member Control - Cooperatives are democratic organizations controlled by their member-owners, 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 organized in a democratic manner.

Member Economic Participation - Member-Owners contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Member-Owners allocate surpluses for any or all of the following purposes: developing the co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

Autonomy and Independence - Cooperatives are autonomous, self-help organizations controlled by their member-owners. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

Education, Training, and Information - Cooperatives provide education and training for their member-owners, 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 co-operation.

Co-operation Among Cooperatives - Cooperatives serve their member-owners most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.

Concern for Community - While focusing on member-owner needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

Cooperative Values

Basic cooperative values are general norms that cooperators, cooperative leaders and cooperative staff should share; the values should determine their way of thinking and acting. This list of 10 values was proclaimed by the International Co-operative Alliance in 1995.

- Self-help
- Self-responsibility
- Democracy
- Equality
- Solidarity
- Honesty
- Openness
- Social Responsibility Caring for others

Policy Governance

The Concord Food Cooperative Board 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 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.

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.
- By deciding on the larger issues about Ends, 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.

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 Policies

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 once a year.

B – Executive Limitations Policies.

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 General Manager is in compliance. If it is determined that we are 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.

C – Board-General Manager Relationship Policies.

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

D – Board Process Policies

The “D” policies describe how the Board is organized and its process and products. The Board evaluates its compliance with these policies throughout the year.

You may read all of our policies online at:

<http://www.concordfoodcoop.coop/documents/ConcordCo-opBoardPolicies-wholewithBoard12.06.pdf>

*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. The term Policy Governance is registered and protected and is often called "PoGo" by the hipsters. Carver's website address is: www.carvergovernance.com

Board Candidate Application

For Terms Beginning **October 2016**

Part 1: Contact information

Any Co-op Member-Owner may run for a seat on the Board of Directors. In order to run with the distinction of being certified by the Board, candidates must complete this application and meet other criteria as listed. This application gives voters information about your background and expertise, and what you can offer to the Co-op. A Nomination Committee member will contact you to confirm receipt of this application. The information provided in this application form will be distributed to the Co-op membership along with a ballot to educate Member-Owners about your background and intent to serve as a director.

Name:

Address:

Daytime Telephone:

Evening Telephone:

Email address:

Present Occupation:

Education (include degrees earned, institution and specialization):

Board Candidate Application

Part 2: Qualifications

Please answer the following questions as concisely and thoroughly as possible on separate paper or via email, while keeping your answers to 400 words or less in total. Your answers up to 400 words will be published on Co-op's website and in the election packet mailed to members.

1. Why are you interested in serving on the Board of Directors?
2. What experience and expertise would you bring to the Board?
3. Please describe skills you have that would directly contribute to achieving the overall vision of the Co-op.
4. Describe an experience where you worked on a team. What did you offer the team? How did you compromise for the team's benefit?

5. What do you see as the most important issues facing the Co-op in the coming five to ten years?
6. Why do you believe Member-Owners should choose you to represent them?

Board candidates are also required to complete a statement of conflict to identify any actual or potential conflicts of interest with the Concord Food Cooperative (to be provided to a candidate upon submission of this application).

As a candidate of the Concord Food Cooperative Board of Directors, I state:

that I have read and understand, and will attempt to the best of my ability to abide by, the attached "Director Responsibilities and Expectations" and "Cooperative Principles and Values" and that the information I have provided in my application is true and correct.

Signature

Date