May 23, 2020

Policy B7 – Communication to the Board, last revised: June 14, 2016

I report compliance with all parts of this policy.

Unless indicated otherwise, this data is accurate as of May 23, 2020

I certify that the information contained in this report and any attachments is true.

General Manager

Policy Language

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

Interpretation & Operational Definition

In the context of this policy, the General Manager is responsible for ensuring that the Board has sufficient information to make Board decisions, enabling the Board to perform to the best of its abilities. The General Manager must support the Board in the accomplishment of its work.

Data: Compliance with the primary points of all the sub-policies will demonstrate compliance.

I report compliance with the top level policy.

Policy Language

The GM 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.

Interpretation & Operational Definition:

This sub-policy requires that the General Manager provide high-quality, accurate, and informative policy monitoring reports to the Board in a predictable and timely manner. The General Manager is responsible for ensuring that the Board has all the information it needs in order to make good decisions.

Data:

- Compliance reports are submitted in accordance with an established calendar. They are complete and accurate to the best of my knowledge. All metrics & data are verifiable.

- Operational definitions/ interpretations and actual data are included for all Board reports.
- The Board is always invited to make recommendations about how compliance reports can be adjusted to better meet their needs.

Data supports compliance.

Policy Language

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.

Interpretation & Operational Definition:

This sub-policy directs the General Manager to inform the Board ***in advance*** of any potential or anticipated noncompliance with policy. In the case of non-compliance, the General Manager is responsible for providing the Board with a written plan for attaining compliance, including a timeline. Follow-up reporting on steps towards compliance must be provided monthly, at a minimum.

Notice of noncompliance will be reported in FYI reports and/or monitoring reports.

Data:

- Noncompliance with part of policy B1 has been reported in that policy report and has been ongoing for FY2017, FY2018, and FY2019. This noncompliance has continued throughout FY2020 so far.
- Noncompliance for a portion of B3 has also been reported.
- Plans for attaining compliance are included in monitoring reports.
- At this time I have no additional noncompliance to report.

Data supports compliance.

Policy Language

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.

Interpretation & Operational Definition:

The General Manager must ensure that the Board has all the information it needs in order to make good decisions. This information is primarily about long-term, big-picture or high-impact information rather than the day-to-day details of operations. An example might be a major shift in product mix that could potentially impact how the Co-op is perceived. Information of this nature will come to the Board in the monthly FYI report, or if a mid-cycle update is necessary, in an FYI email.

In the case of confidential matters, the GM will report on these in Executive Session.

Data:

- The Board receives an FYI report monthly alongside regular policy monitoring reports.
- Since March 2020 the Board has been receiving far more frequent FYIs from the GM because of the ongoing COVID-19 situation.

Data supports compliance.

Policy Language

B7.4 Withhold their opinion if the GM 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 GM.

Interpretation & Operational Definition:

The General Manager is obligated to inform the Board if she believes that the Board is not acting in accordance with its own policies. This information will come to the Board in the monthly FYI report, as part of the Board's self-monitoring (in which the GM participates), or directly to the President via email, depending on timing.

Data:

- The GM has participated in all Board self-monitoring for the prior year.
- The Board receives regular FYI reports.

Data supports compliance.

Policy Language

B7.5 Deal with the Board in a way that favors or privileges certain directors over others except when responding to officers or committees duly charged by the Board.

Interpretation & Operational Definition:

The General Manager is responsible for helping the Board maintain its commitment to Board holism as expressed in policy D1 – Unity of Control. I recognize that only the Board as a whole has any authority.

Data:

- All directors receive the same benefits.
- The GM interacts with directors on an individual level in various capacities but does not give decision-making authority over to that director.
- Individual directors may make suggestions as Co-op owners and shoppers, but the GM receives official direction from the Board as a whole.

Data supports compliance.

Policy Language

B7.6 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.

Interpretation & Operational Definition:

This sub-policy directs the General Manager to use the consent agenda to seek Board approval for actions for which it has already assigned authority to the GM.

Items requiring Board approval to satisfy the requirements of banks, insurance carriers, retirement plans, etc., will be presented to the Board as needed.

Data:

- At no time has the GM made a decision that was required by law, regulation, or contract, to be Board approved without first seeking Board approval.

Data supports compliance.