

# TAKOMA PARK SILVER SPRING COOPERATIVE, INCORPORATED

## *POLICY REGISTER*

### **MISSION STATEMENT**

Takoma Park-Silver Spring Co-op promotes healthful living by offering wholesome food, high quality products, and community resources in clean, friendly cooperative grocery stores...that you can own!

### **VISION**

We are the peoples' choice for food and community.

### **GUIDING PRINCIPLES**

- We believe in supporting individual and community health and well-being
- We believe in operating all businesses for the benefit of the community, society and the planet
- We believe in treating people fairly, equitably, and respectfully in all human relationships
  - We believe in people having a say in the issues affecting their lives
  - We believe in educating people about the issues that affect their lives

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## ENDS STATEMENTS

Policy Type: Ends Statements  
Adopted: November 2009  
Last Revised: [August 2011](#)

1. TPSS Co-op will be a sustainable cooperative enterprise that benefits the community at large — consistent with community needs, financial viability, cooperative principles, healthful living, and strong environmental stewardship.
2. Co-op members are involved in and knowledgeable about the meaning, benefits and responsibilities of cooperative ownership.
3. Co-op customers have access to goods produced in socially and environmentally responsible ways, with an emphasis on local and organic foods, at reasonable prices and in welcoming community marketplace settings.
4. Customers are knowledgeable about food and food related issues and can make informed choices about healthful living.
5. TPSS Co-op is committed to being inclusive and accessible to the whole community. The Co-op will build strong linkages through its outreach programs with surrounding communities and nearby farmers and businesses.
6. The TPSS Co-op staff has an empowering and positive workplace.

## **EXECUTIVE LIMITATIONS**

Policy Type: Executive Limitation  
**Policy Title: L – Purpose of Executive Limitation Policies**  
Adopted: July 2002  
Last Revised: [September 2013](#)

The purpose of “Executive Limitation” policies is to ensure that, while pursuing TPSS End Statements and organizational goals, the Co-op maintains basic standards of conduct consistent with pursuit of its mission to be a socially responsible business. It is the role of the general manager to act at all times to make sure that TPSS conducts its affairs with the level of business and professional behavior that is to be expected of a socially responsible cooperative business.

Policy Type: Executive Limitation  
**Policy Title: L1 – Customer Service and Value**  
Adopted: July 2002  
Last Revised: [August 2016](#)

Customer Service is a high priority at TPSS Co-op. Consistent with TPSS end statements, the general manager shall make every effort to ensure that TPSS Co-op provides exceptional value and service to customers.

**MONITORING:** The GM will create a system for soliciting, addressing, and reporting customer suggestions, complaints, and product requests that will be reviewed regularly by the Board.

Policy Type: Executive Limitation  
**Policy Title: L2 – Staff Treatment**  
Adopted: July 2002  
Last Revised: [August 2016](#)

Paid staff and volunteers shall not be subjected to unfair, undignified, or unsafe treatment or conditions. Accordingly, the general manager shall ensure that:

- L2.1 Discrimination is not tolerated in the workplace.
- L2.2 Staff shall have regular access to Human Resources professional(s) who can provide confidential resources and support for resolving workplace conflicts, hearing staff complaints, and assisting with staff development and morale.
- L2.3 Personnel records are kept confidential, clear records of all personnel related decisions are retained, compensation is equitable, and benefits policies are administered appropriately.
- L2.4 Staff shall not be exposed to unsafe, unhealthy or illegal conditions.
- L2.5. Staff have access to written personnel policies that:
  - L2.5.1 Provide for fair and thorough handling of grievances.
  - L2.5.2 Inform staff that employment is neither permanent nor guaranteed.
  - L2.5.3 Include a progressive discipline policy.
  - L2.5.4 Inform staff that they have the right to report on improper or illegal management actions to the Board if administrative measures are exhausted.
  - L2.5.5 Protect staff from being reprimanded or retaliated against for reporting suspected wrongdoing.
- L2.4.6 Are consistently applied.
- L2.6 Staff shall have clear job descriptions, access to appropriate training and staff development opportunities, and regular performance conversations with their supervisors.
- L2.7 Open jobs shall be posted so that current staff may have the opportunity to apply.

**MONITORING:**

This policy will be monitored every year through a report using data recommended by the HR consultant report dated Oct 2, 2009 or alternative data that provides the same level of confidence that compliance has been achieved.

Policy Type: Executive Limitation  
**Policy Title: L3 – Compensation and Benefits**  
Adopted: July 2002  
Last Revised: [November 2013](#)

To ensure fair compensation and benefits at TPSS Co-op, the Co-op, when entering into an employment contract with the General Manager, will ensure that the contract contains the following provisions:

- L3.1 General Manager compensation or benefits may only change in accordance with contract terms or with the express consent of the Board.
- L3.2 The General Manager will neither promise nor imply permanent or guaranteed employment to any TPSS employee.
- L3.3 The General Manager must obtain Board approval before entering the Co-op into financial obligations that last more than a year.
- L3.4 General Manager pension benefits will be on par with those of comparable key employees. Creating unfunded pension liabilities will not be permitted.

**MONITORING:**

This policy will be monitored annually by Board review of the contract document to ensure compliance with the above provisions.

Policy Type: Executive Limitation  
**Policy Title: L4 – Financial Conditions and Activities**  
Adopted: July 2002  
Last Revised: [January 2018](#)

With respect to the actual, ongoing financial conditions and activities, the General Manager (GM) must 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 must not:

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

Monitoring: This policy will be monitored in several ways:

1. The GM will provide a quarterly report to show compliance with all above limitations.
2. Financial reports will be made available to the Board and the Audit and Finance Committee on the following schedule:

Annually, after the close of the fiscal year and in time for the annual report to member-owners:

- 10-year trends (by year) of: annual sales, net income, cash, days cash on hand, total debt to equity ratio, current ratio.
- 10-year trends (by year), a balance sheet showing: current assets, fixed assets, other assets, current and long-term liabilities, member-owner equity, patronage dividend, and earnings.
- A data-based comparison of our financial performance to comparable consumer food cooperatives.

Quarterly – reports should be sent in time for the Audit and Finance Committee meeting the second month after completion of inventory every quarter (i.e., within two months of the end of the quarter):

- 5-year trends (by quarter) of margin minus labor, sales/labor hour, inventory turnover, sales growth, EBITDAP, net income as percent of sales, the current ratio, the quick ratio, debt-to-equity ratio, number of member-owners, member-owner paid-in equity.
- Quarterly tax payments made (dates and amounts for payroll taxes, sales, federal income, state income, and any other taxes).
- 5-year trends (by year), a balance sheet showing: current assets, fixed assets, other assets, current and long-term liabilities, member-owner equity, patronage dividend, and earnings.
- A comparison of the budget versus actual income and expenses for the quarter and for the fiscal year to date

Monthly, for the previous month, one week in advance of the Board meeting if it is held on or after the fourth Sunday of the month:

- 5-year trends (by month) of: sales, net income, cash, current ratio. Numbers for the immediately preceding month may be preliminary pending additional invoices, etc.

These reporting requirements shall be considered the minimum information the Board requires to assess the financial condition of the Cooperative. The GM shall provide additional information as deemed important to the Board for it to consider, regarding the Cooperative's financial condition.

\*It should be noted that the financial conditions and activities policy lays out what the GM is prohibited from doing in order to maintain the financial stability of the Co-op. As part of policy governance, the Board should limit the GM as little as possible based upon its assessment of his or her ability and performance. In other words, unless the Board thinks that the GM is not following its guidance, the GM should be given as much leeway as possible. This gives the GM the flexibility to run the Co-op most efficiently, and gives the GM the understanding that the Board trusts his or her judgment. In this spirit, the Policy Committee/Board has made the financial conditions and activities policy as open as possible by using the terms "inadequate" and "insufficient." For example, in L4.1 the Policy Committee/Board states that the GM should not "Allow sales growth to be inadequate." By using this term, the Board is allowing the GM to define what "adequate" means and is for the Co-op at any given time. If we are in the midst of expansion, adequate growth may be measured differently than it is currently. For example, the GM may compare our growth to other co-ops going through expansions (or who have completed such expansions) to show that the Co-op is growing at an acceptable rate for such circumstances. As a result, the GM must fully explain the definition he or she is using for "adequate" or "sufficient" for each limitation. In addition, he or she should give the Board copies of any statistics used, etc. so the Board can fully understand the definition used, how the GM came up with the comparison figures, and how the GM came up with the figures from our Co-op. The GM should also give the Board any other reports, etc. he or she feels necessary for the Board to fully understand the Co-op's current financial picture.

Policy Type: Executive Limitation  
**Policy Title: L5 – Budgeting/Financial Planning**  
Adopted: July 2002  
Last Revised: [May 2015](#)

The general manager shall submit an annual budget that projects revenues and expenses for the Co-op, in accordance with market conditions and Board approved annual goals and indicators. In developing these estimates, the general manager shall seek to ensure that projected budgeted expenses do not exceed projected income levels, while employing conservative assumptions.

**MONITORING:**

The Board shall monitor this policy annually through its review of the budget. By voting to accept the budget, the Board certifies that this Policy has been followed. The Board retains the right to *not* accept the budget if the Board believes this Policy has not been followed.

Policy Type: Executive Limitation  
**Policy Title: L6 – Asset Protection**  
Adopted: July 2002  
Last Revised: [December 2017](#)

Assets shall not be inadequately maintained, unnecessarily risked, or unprotected. Accordingly, the General Manager shall ensure that:

- L6.1 Insurance coverage of stock, building, furniture, and equipment remains at an adequate level to ensure continued operation of stores in event of loss.
- L6.2 Exposure of the organization, staff, or the Board to claims of liability is limited as much as practicable.
- L6.3 Purchasing arrangements avoid unnecessary conflicts of interest.
- L6.4. Receipt, processing, or disbursement of funds and inventory occurs with control systems that are sufficient to meet the Board-appointed auditor's standards.
  - L6.4.1. Cash handling occurs in strict compliance with written procedures.
- L6.5 Maintenance and proper use procedures are in place that limit risk to buildings and equipment.
- L6.6 Organizational procedures are in place to limit the risk of theft, loss, or damage to property.
- L6.7 Operating capital is retained in federally insured institutions, unless the Board authorizes some other arrangement.
- L 6.8 Confidential data, including but not limited to financial, member-owner, investor, volunteer, staff, customer, and other data that the Board or GM may delineate as confidential from time to time, are kept secure. Clear policies for preventing unauthorized use of or access to confidential information are in place.
- L 6.9 Critical operating data are archived, protected from loss, and accessible by management over time.

MONITORING: This policy will be monitored annually through an external review or audit.

Policy Type: Executive Limitation  
**Policy Title: L7 – Communication and Counsel to the Board**  
Adopted: July 2002  
Last Revised: [August 2013](#)

With respect to providing information and counsel to the Board, the general manager shall endeavor to keep the Board well informed about material developments at all times. A material development means substantially affecting the core operations of the store(s). The general manager shall also inform the Board if, in the general manager's opinion, the Board is not in compliance with its own policies on Governance Process and Board-Staff Relationship, particularly if the general manager believes such behavior to be negatively affecting his or her work.

**MONITORING:**

This policy will be monitored de facto on a monthly basis at Board meetings through the general manager's monthly reports to the Board.

Policy Type: Executive Limitation  
**Policy Title: L8 – Executive Succession**  
Adopted: July 2002  
Last Revised: [August 2013](#)

The general manager shall not operate without a plan for emergency management succession. Accordingly, the general manager shall ensure:

- L8.1 The existence of a clear "chain of command" to be used at any time the general manager is unable to serve (planned or emergency absence).
- L8.2 The existence of one other executive familiar with Board and general manager issues and processes.

**MONITORING:**

The general manager shall ensure that the Board remains informed of the chain of the succession at the Co-op at all times through regular distribution of an appropriate organizational chart, distributed at least annually. In the event there is a change in the succession plan, the general manager shall inform the board in his or her monthly report.

Policy Type: Executive Limitation  
**Policy Title: L9 – Membership**  
Adopted: September, 2003  
Last Revised: [April 2017](#)

Consistent with TPSS End statements, ensuring the member-owners are involved in and knowledgeable about the meaning, benefits and responsibilities of cooperative ownership is an important part of our mission.

L9.1 In basic terms, it is the role of the General Manager to ensure that:

- a) There are events/programs/literature that educate the community regarding cooperative principles and the role of the Co-op in our community, including two member-owner meetings per year. The Board and the community shall be regularly informed of such programs.
- b) An up-to-date member-owner database exists at all times.
- c) Systems and processes are in place by which membership statistics (e.g., percentage of sales to member-owners, net new member-owners per month) can be accurately reported monthly to the Board.
- d) Member-owner benefits are defined, communicated, and administered.
- e) Member-owner share payment options are defined, communicated, and administered.

L9.2 More broadly, it is the role of the General Manager to ensure integration of membership objectives into TPSS Co-op's annual goals and indicators document.

**MONITORING:**

This goal will be monitored through the General Manager's monthly Board report, the annual L9 monitoring report, and the semi-annual Ends and Indicators updates.

## GOVERNANCE PROCESS

Policy Type: Governance Process  
**Policy Title: G – Global governance Commitment**  
Adopted: July 2002  
Last Revised: [May 21, 2006](#)

The purpose of the Board, on behalf of the owners, is to see to it, through the process of developing, writing and monitoring of policy, that the cooperative organization:

- (1) achieves appropriate results for owners, shoppers, staff and volunteers at an appropriate cost, and
- (2) avoids illegal, unethical, and other similar actions and situations

Policy Type: Governance Process  
**Policy Title: G1 – Governance Style**  
Adopted: July 2002  
Last Revised: [March 2016](#)

The Board will govern in a way that (1) emphasizes future vision (more than past or present), (2) emphasizes initiative and strategic leadership (not operational detail), (3) provides clear distinctions between Board and management roles, and (4) deliberates in many voices but governs in one voice. Accordingly:

- G1.1 The Board will direct the organization through careful establishment of written policies reflecting the Board's values about ends to be achieved and means to be avoided, with a focus on intended long-term effects.
- G1.2 The Board will cultivate a sense of group responsibility for excellence in governing, enforcing upon itself whatever discipline is needed in matters such as attendance, preparation, policy-making principles, and respect of roles. The Board will allow no representative or committee to hinder or be an excuse for not fulfilling Board commitments or following Board policy.
- G1.3 The Board will monitor and discuss the Board's process and performance regularly, including comparisons of actual Board activity and discipline to written Board policies on Governance Process and Board-General Manager Linkage.
  - G1.3.1 All policies under Governance Process and Board-General Manager Linkage should be reviewed annually. Policies will be chosen for review on an on-going basis, such that all policies are reviewed by the end of each fiscal year. Evaluation of Board activities relating to member/owner linkage will be a part of this cycle as well.
  - G1.3.2 Responsibility for preparing and presenting the above brief monitoring reports will rotate among all Board members, or be assigned in accordance with written Board policy.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G2 – Board Job Description**  
Adopted: July 2002  
Last Revised: [July 2002](#)

The job of the Board is to represent the owners in determining and demanding appropriate organizational performance, within the boundaries presented by the By-laws. Accordingly:

- G2.1. The Board obtains its authority from and represents the member-owners. The Board is responsible for linkage with member-owners. The relationship with owners is the Board's primary relationship. The Board has the fiduciary and legal responsibility to represent the best interests of the member-owners, and to always act in the best interest of the coop as a whole.
  - G2.1.1 To make informed policy decisions, the Board must understand the values and needs of the member-owners. The Board must, therefore, obtain adequate and appropriate information on the member-owners.
  - G2.1.2 The Board shall report periodically to the member-owners on its role, its activities, and its decisions.
    - G2.1.2.1 The Board will ensure the effective communication of the vision and mission of the cooperative to the members.
    - G2.1.2.2 At least annually, the Board shall disseminate a statement of its values, and a report of the cooperative's financial resources and how those resources have been translated into services.
  - G2.1.3 The Board will ensure that the member equity program contributes adequate capital for the cooperative
    - G2.1.3.1 The Board is responsible for ensuring that the process and benefits of becoming a member in the cooperative are clear and available to everyone.
    - G2.1.3.2 The Board will build and sustain a sense of ownership, pride and loyalty among members
    - G2.1.3.3 The Board will ensure that there are member recruiting activities at all cooperative sponsored events. The Board shall participate in all such recruitment activities
  - G2.1.4 The Board will ensure that the cooperative meets all requirements of law and the bylaws for the relationship with members.
- G2.2. The Board will enact written policies that guide the organization in four areas.
  - G2.2.1 Ends: Organizational products, effects, benefits, outcomes, recipients, and their relative worth (what good for which recipients at what cost).
  - G2.2.2 Executive Limitations: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
  - G2.2.3 Governance Process: Specification of how the Board conceives, carries out, and monitors its own tasks, as defined in the bylaws and these policies.
  - G2.2.4 Board-General Manager Linkage: How power is delegated and its proper use monitored; the General Manager role, authority, and accountability.
- G2.3. The Board will assure General Manager performance through monitoring against Board policies on Ends (Goals) and Executive Limitations (G2.2.1 and G2.2.2).
- G2.4. The Board will perpetuate itself through recruitment, training, and ongoing professional development, including monitoring and self-evaluation.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
Policy Title: **G3 – Agenda Planning**  
Adopted: July 2002  
Last Revised: [May 2015](#)

To accomplish its job with a governance style consistent with Board policies, the Board will follow an annual agenda that (1) annually completes re-exploration of Ends policies and links with owners, (2) continually improves Board performance through Board education and enriched input and deliberation, and (3) ensures efficient use of Board meeting time and input from and prior review by all directors. Accordingly:

- G3.1. The Board's annual governance cycle will start with the Board's development in July of its agenda for the next year. The Board calendar will include all Board events such as ownership meetings, Board training, monitoring schedule, and review of specific policies. The calendar will be reviewed on a regular basis.
- G3.2. At the end of each Board meeting, the Board's current policy discussion and the annual calendar will provide the basis for determining the broad outlines of the next meeting's agenda. The following process will be used to determine the Board's agenda:
  - G3.2.1 In the interim before the next meeting, directors should review the designated policy areas scheduled for the meeting the following month and consider if there are policies that they would like to see added, modified, or deleted. They should then prepare a written statement describing these policy changes, along with a discussion of their rationale, for review by other directors.
  - G3.2.2 The Board president and/or their designee will collect these written statements, determine relevancy and priority for discussion, and produce an agenda for the Board meeting the following month and provide that agenda to the Board president at least two weeks prior to the meeting. Urgent items that show up in the interim and require Board attention may also be included. The Board president and/or their designee will report on all proposed changes as well as its own recommendations regarding those policies.
  - G3.2.3 General Manager monitoring reports will be included on a "proposed agenda" discussion is necessary only if monitoring reports show policy violations or if policy criteria are to be reviewed.
  - G3.2.4 The agenda and all written statements and reports will be included in the next Board packet.
  - G3.2.5 The agenda, as so determined, may be modified by the Board at the beginning of the next meeting.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G4 – Board Meetings**  
Adopted: April 2004  
Last Revised: [October 2015](#)

The primary method for the Board to accomplish its goals is through regularly scheduled, open meetings. Accordingly:

- G4.1. The Board will hold regularly scheduled meetings as often as is determined necessary by the Board. In no case shall this be less than 6 times per year.
  - G4.1.1 All meeting times, dates, and places shall be posted at least 7 days in advance. In addition, a proposed agenda shall also be posted at least 7 days in advance of the meeting. All posting shall be both in store and on the TPSS Co-op website.
- G4.2. Special meetings of the Board can be called at any time. A special meeting may be called by at least three current Board members. All board representatives must be notified in advance of such a meeting, and all reasonable effort must be made to find a convenient time for all board representatives.
- G4.3. All decision-making by the Board will be done through the consensus process.
  - G.4.3.1 The Board will educate itself about the form of consensus it intends to use.
  - G.4.3.2 At least one half of the Board representatives must be present as a quorum for any decision making.
  - G.4.3.3 Consensus may be suspended with the approval of three quarters (3/4) of the Board voting. If consensus is suspended, a simple majority is needed for the issue being voted on to pass.
  - G.4.3.4 If a decision needs to be made between meetings, Board representatives may vote via mail, telephone, or electronic means.
- G4.4. All board meetings shall be open to TPSS Co-op members.
  - G.4.4.1 The Board, on its own determination, may close a meeting, or portion of a meeting, if it determines that it requires confidential discussion of personnel, contract negotiations, or other specified matters involving real estate or the legal or financial integrity of the TPSS Co-op.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G5 – Board Officer’s Roles**  
Adopted: July 2002  
Last Revised: April 2004

The Board president, vice president, treasurer and secretary assure the integrity of the Board's process and, secondarily, occasionally represent the Board to outside parties. Accordingly:

- G5.1. The Board president's job is to ensure the Board behaves consistently according to its own rules and those legitimately imposed upon it from outside the organization.
  - G5.1.1 Board meetings will cover issues which, according to Board policy, clearly belong to Board to decide, not the General Manager.
  - G5.1.2 Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.
- G5.2. The Board president is authorized to make decisions falling within Board policies on Governance Process and Board-General Manager Relationship, except where the Board specifically delegates portions of this authority to others. The Board president is authorized to use any reasonable interpretation of the provisions in these policies. In particular, the Board president has the following responsibilities:
  - G5.2.1 Chair Board meetings, with all the commonly accepted power of that position.
  - G5.2.2 Develop the Board budget specified in G7.2.
    - G5.2.3 The Board president whose term is ending shall solicit interested and willing directors to compose an initial slate of officers for the next year. That slate will be presented at the first full Board meeting following the fall annual ownership meeting. The Board president shall ensure that, at a minimum, a new President (permanent or temporary) is selected at that meeting. The new President shall ensure that the remaining officers are elected by the following meeting. Should an officer position become vacant at a later time, the Board shall elect a replacement officer.
  - G5.2.4 Assuring that the Board acquires the necessary monitoring data and creates an internal report disclosing Board compliance with policies on Governance Process and Board-General Manager Linkage for annual report to the owners.
  - G5.2.5 Represent the Board to outside parties in announcing Board-stated positions and in stating chair decisions and interpretations within areas delegated to her or him.
  - G5.2.6 The Board president may delegate this authority but remains accountable for its use.
- G5.3. The Board president has no authority to make decisions about Board policies on Ends or Executive Limitations.
  - G5.3.1 The Board president has no authority to supervise or direct the General Manager except as explicitly Board authorized.
- G5.4. The Board president must have been on the Board for at least one year prior to being appointed president.
- G5.5. The Board vice-president’s role is to assist the president in all of the above activities and responsibilities and to act for the president when she/he is not available, and to sign official documents when necessary.
  - G5.5.1 If the office of President becomes vacant, the vice president will become acting president and carry out all duties and responsibilities delegated to the president until such time as a new president is named by the Board.
- G5.6. The Treasurer is responsible for assuring the timely compilation and submission of regular financial reports to the Board and conducting annual financial audits as required by the by-laws. The treasurer will act as an ex-officio member of the finance committee, and sign all documents when necessary.
  - G5.6.1 The treasurer should have previous financial and business experience.

G5.6.2 The treasurer must have been on the Board for at least one year prior to being appointed treasurer.

G5.7. The secretary is responsible for assuring the maintenance of all Board related records other than financial records, assuring that minutes of all membership and Board meetings are recorded, maintained in an orderly manner, distributed to the Board members, and made available to the membership. In addition, the secretary is also responsible for the timely reporting of all major business and policy decisions to the membership, the organization and maintenance of a manual recording policy decisions made by the Board, and ensuring that the by-laws are updated according to Board and membership decisions.

G5.7.1 The secretary will sign official documents when necessary.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G6 – Directors’ Code of Conduct**  
Adopted: July 2002  
Last Revised: [November 2013](#)

The Board commits itself and its representatives to ethical and businesslike conduct, including proper use of authority and appropriate decorum when acting as representatives. Accordingly:

- G6.1. Directors have the following responsibilities:
  - G6.1.1 Represent unconflicted loyalty to the interests of the ownership as a whole.
  - G6.1.2 Be aware of and follow the organization's bylaws, including avoidance of conflict of interest.
  - G6.1.3 Be aware of and follow the organization's policies.
  - G6.1.4 Perform Board duties in good faith, with honesty and personal integrity, employing such care as an ordinarily prudent person in a like position would use under similar circumstances.
  - G6.1.5 Openly and impartially consider all issues and matters, researching issues and seeking additional expertise where needed.
  - G6.1.6 Prepare for and attend all Board meetings or notify the Board president when an absence is unavoidable.
- G6.2. Board representatives do not have individual authority over the organization except as explicitly set forth in Board policies or the bylaws.
  - G6.2.1 Individual Board representatives’ interactions with the General Manager or staff recognize the lack of authority vested in individual directors except when explicitly Board-authorized.
  - G6.2.2 Individual Board representatives’ interactions with the public, press, owners, or other entities recognize the same limitation as stated with reference to the GM or staff in G6.2.1 above, and the inability of any Board representative to speak for the Board except to repeat explicitly stated Board decisions.
  - G6.2.3 Board representatives will give no consequence or voice to individual judgments of General Manager or staff performance.
- G6.3. Board representatives will respect the confidentiality appropriate to issues of a sensitive nature, while serving on the Board and after they retire, resign, or are removed from the Board. Generally speaking, personnel, real estate, marketing, legal, strategic planning, and financial matters will be considered sensitive issues subject to directors' good faith and discretion unless or until made specifically clear by Board action.
- G6.4 Board representatives shall recognize that they project an image as a representative of the organization and shall conduct themselves in a professional manner that fosters confidence and reflects positively on the organization, its owners, and its staff.
- G6.5 All representatives will respect the rights of others--representatives, staff, and members—to communicate their ideas free from interruption and without intimidation.
- G6.6 Violation of bylaws or Board policies may result in removal of a Board representative in accordance with bylaw 6.2.L

**MONITORING:** This policy will be monitored on a regular basis, at least once every three years, through a responsible process of Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G7 – Board Committee Principles**  
Adopted: July 2002  
Last Revised: [May 2016](#)

Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and so as never to interfere with delegation from Board to General Manager. Accordingly:

- G7.1. Board committees are to help the Board do its job or advise staff. Their work is limited to those tasks specifically delegated to them by the Board.
  - G7.1.1 Board committees may be either standing committees which persist or ad hoc committees formed for a particular purpose and later dissolved. Policies under G7 apply to both.
  - G7.1.2 Board committee responsibilities are established in a written committee charter approved by the Board. Changes to a committee charter must be approved by the Board.
  - G7.1.3 Board committees report solely to the Board and only as specified by the Board in the committee charter.
  - G7.1.4 Board committee chairs are appointed by the Board. Directors may serve on any Board committee of their choosing, and non-directors may serve at the discretion of the committee chair, unless otherwise stated in the committee charter or by Board directive.
  - G7.1.5 Board committees ordinarily assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's focus on governance, Board committees normally do not deal with current staff operations.
  - G7.1.6 Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes. Expectations and authority will be carefully stated so as not to conflict with authority delegated to the General Manager.
  - G7.1.7 Board committees cannot exercise authority over staff. Because the General Manager works for the full Board, he or she will not be required to obtain approval of a Board committee before an executive action. Board committees may not direct the work of any staff person. Any need for staff participation or support shall go through the Board and the GM respectively.
  - G7.1.8 Board standing committees will meet regularly and post advance notice of the time, place and date of all meetings. Minutes of meetings will also be posted as well as provided to the Board secretary.
  - G7.1.9 All Board committee meetings are open to members, unless the meeting or a portion of the meeting is designated as committee only by the Board or the committee.
  
- G7.2. The job of Board committee chairs is to ensure the integrity of the committee and its process. Board committee chairs are appointed by the Board and have the following responsibilities:
  - G7.2.1 Preside over committee meetings, determining their agenda and coordinating work to complete the committee's tasks effectively.
  - G7.2.2 Ensure the establishment of the committee budget and the subsequent monitoring of this budget.
  - G7.2.3 Ensure that committee minutes, budgets, and reports are maintained and included in the Board packet.
  - G7.2.4 Add pertinent committee proposals to the Board agenda, thoroughly discussed and researched by the committee.

- G7.2.5 Ensure that the committee and its members are in compliance with Board policies and the committee charter.
- G7.2.6 Ensure that important committee documents are preserved in a centralized location for use by subsequent committee members or chairs.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G8 – Cost of Governance**  
Adopted: July 2002  
Last Revised: [October 2015](#)

The Board will invest in capacity building to ensure effective governance, in order to avoid the costs associated with poor governance and lack of continuing education. Accordingly:

- G8.1. Board skills and methods will be sufficient to assure effective and excellent governance.
  - G8.1.1 Training will be used to orient new representatives and board candidates, and continuous education is expected of current representatives to maintain and increase their skills. The Board will schedule a training and orientation for each new Board in or as close to January as possible to educate the new board on governance policy, the history of TPSS, and the consensus process.
  - G8.1.2 Outside monitoring assistance will be solicited as needed so the Board can exercise confident control over organizational performance. This assistance includes but is not limited to fiscal review.
  - G8.1.3 Outreach will occur as needed to link the Board to owner viewpoints and values.
- G8.2 Costs will be prudently incurred, though without sacrificing effective board governance, and shall be monitored and recorded by the Board treasurer.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G9 – Consent Calendar**  
Adopted: January 2011

#### G9.1 Consent Calendar Process:

Throughout the year, the Board will attend to consent agenda items as expeditiously as possible. Any policy or Board business (action) certified by the Board President as an uncontested act shall be placed on the consent calendar, and shall be known as a “consent calendar action.”

Any action can be removed without cause by any Board member prior to voting. The General Manager may also request that an item be removed from the Consent Calendar. A Board action on the consent calendar is not debatable, except that the President shall allow a reasonable time for questions from the Directors and shall permit a proponent of the action to answer the questions. If objected to, the action shall cease to be a consent calendar action and shall be at the bottom of the agenda to be taken up normally.

All items that remain on the consent calendar will be noted as having been approved by the Board in the “Consent Calendar” portion of the agenda.

#### G9.2: Appropriate Items to Put on a Consent Calendar

An item may be put on the Consent Calendar if it is:

- a) A Monitoring Report that indicates compliance in all aspects of the report; or
- b) A recommendation from a Board Committee

No item may be put on a Consent Calendar *unless* it is distributed to the Board a minimum of seven days prior to the Board meeting at which said item is to be considered.

#### G9.3 Inappropriate Items to Put on a Consent Calendar

An item shall *not* be put on the Consent Calendar if it is

- c) A Monitoring Report that indicates *non*-compliance in at least one aspects of the report; or
- d) Involves the direct appropriation or expenditure of funds.

MONITORING: This policy will be monitored annually through the Board self-evaluation.

Policy Type: Governance Process  
**Policy Title: G10 – Personnel Committee**  
Adopted: March 2011  
Last Revised: [May 2015](#)

The TPSS Personnel Committee shall consist of the President and two other non-staff Board representatives, as selected by the Board. Because of the confidential nature of the Committee’s work, Committee meetings are closed, including to Board representatives who are not appointed to the Committee by the Board. This provision supersedes Policy G-7.1.4. The role of the Personnel Committee shall be as follows:

G10.1 The Personnel Committee shall ensure that all Board representatives are in possession of the latest version of the TPSS Employee Handbook, so that Board representatives have full knowledge of existing Personnel policies.

G10.2 The Personnel Committee shall conduct an annual performance review of the General Manager of TPSS Co-op and issue a job performance review letter, which shall be reviewed and approved by the entire Board in executive session. In the event of a new hire, a probationary review will also be conducted no earlier than 90 days and no later than 180 days from date of hire.

Said review will summarize the directives stemming from the monitoring reports on ends and limitation policies, through which, under Policy Governance, the TPSS Board monitors GM performance. That said, not all variations from “compliance” on monitoring reports are of equal importance. One key objective of the annual evaluation is to assess which areas of “noncompliance” are priority areas for improvement, what are priority areas of “compliance” where good performance should be maintained and built upon, and what areas (of either “compliance” or “non-compliance”) are of less immediate importance to the Board. Said review will include making a recommendation to the Board regarding compensation and benefits.

G10.3 Upon the request of the General Manager, the Personnel Committee serves as a confidential “sounding board” for the GM if difficult personnel issues arise.

G10.4 In the event that the Board places any contractual limits on GM authority, the Personnel Committee shall oversee the enforcement of said restriction(s).

G10.5 The Personnel Committee shall have the authority to take appropriate action on behalf of the Board on the matters designated in this Policy between Board meetings but shall inform the Board of any said decisions at the following Board meeting (in executive session, if appropriate).

G10.6 The Board may delegate other responsibilities to the Committee as appropriate.

Policy Type: Governance Process  
**Policy Title: G11 – Media Policy**  
Adopted: [March 2016](#)

TPSS Co-op is committed to conducting meetings that are open to its member-owners, except in those cases (e.g., personnel and legal matters) where confidentiality requires operating in closed session. Members of the press, even if they are not TPSS member-owners, are welcome to attend TPSS Board and Committee meetings. However, while TPSS Co-op is a community-owned business with thousands of member-owners, it is still a business. To permit access to the press, while creating an atmosphere that allows for an open and frank discussion of views regarding business issues, TPSS Co-op has adopted the following media policy to balance these competing needs:

G11-1: Members of the press are welcome to attend open sessions of TPSS Co-op Board of Representatives or TPSS Committee meetings. Prior to all such meetings, the facilitator of the meeting will ask all members of the press to identify themselves before officially starting the meeting. Members of the press should also identify themselves to the facilitator as soon as they arrive at the meeting.

G11-2: The use of video or audio recording devices is not permitted. However, reporters are welcome to take notes and report on actions taken. Photography is allowed.

G11-3: A reporter may quote an attendee, committee member, or Board representative at a TPSS Co-op meeting if and only if the reporter gets the express written consent of the person quoted.

G11-4: Audit and Finance Committee meetings are closed to media unless permission is granted by the Audit and Finance Committee Chairperson.

Policy Type: Governance Process  
**Policy Title: G12 – Staff Representation and Staff Representative Committee (SUSPENDED)**  
Adopted: April 2011  
Last Revised: [October 2011 - SUSPENDED](#)

TPSS Co-op is committed to ensuring that its staff is empowered and feels a sense of ownership in TPSS Co-op. TPSS Co-op is also committed to ensuring that the General Manager (or management team, if a team is operating in lieu of a General Manager) can manage without facing constant questioning of decisions made. To meet these goals, this Policy establishes a Staff Representative Committee that: a) serves as a conduit for representing major staff concerns and ideas regarding policy issues to the Board; and b) provides regular staff input into General Manager-initiated monitoring reports.

G-12.1 The Staff Representative Committee (SRC) shall consist of seven non-management staff representing store divisions designated by the staff. The SRC shall select a Chair from among its members for a term of no more than two years. Each year, before June 1, the SRC shall submit a budget request to the Board for approval. The SRC shall take no actions (including meetings), which incur costs to TPSS co-op beyond the approved budget.

G-12.2: Paid Time for All-Staff Meetings (“Staff Forums”): To provide an open forum and a chance for direct staff input to their SRC representatives, the Co-op shall pay for staff to meet (without management) for 30 minutes to 1 hour, following a scheduled meeting that the General Manager holds with staff. There shall be no less than four and no more than six Staff Forums per year. Everyone attending shall be paid at his/her current wage rate.

G-12.3 The initial objective of the SRC is to draft a Committee Charter to be accepted first by a Staff Forum, then by the Board. Subsequently, the SRC’s chief goals will be to facilitate communication among staff divisions, and to provide a line of communication between the staff and the Board. All staff members are encouraged to participate and communicate their needs, concerns and recommendations to their representative. The SRC shall meet monthly for about an hour. SRC representatives shall be compensated for time spent attending meetings at their regular wage rate. Time spent outside of scheduled SRC meetings on SRC-related matters shall not be compensated. Management is expected to cooperate with the SRC, working together to resolve issues in the best interest of TPSS Co-op, its workers and its owners.

G-12.4 Non-managerial staff shall select the initial seven committee members democratically at the first Staff Forum following adoption of this policy. Subsequently, the SRC will supervise the selection of its members. Each staff-designated division shall decide how it will select its representative(s) and how long its representative(s) will serve (not to exceed a two-year term). Selection of representatives will not violate TPSS Co-op non-discrimination policies and notice shall be widely posted. Recall of a division representative shall require the same procedure as selection. If a Committee member cannot fulfill the term of service, an alternate from his or her division will be selected by their division to finish the term.

G-12.5 The SRC will be responsible for maintaining the "SRC Suggestion Box." This includes distributing incoming suggestions to appropriate managers, and printing, collating and posting suggestions and responses near the suggestion box. When problems or concerns about a specific person are voiced through the suggestion box, the concern will be forwarded to the individual and to his/her supervisor. SRC will hold concerns relating to specific persons in confidence and will respect that person's right to respond or not to respond. Each SRC member is also responsible for responding to individual questions relating to the area s/he represents. The SRC does not replace or supersede the individual employee grievance procedure as outlined in the TPSS Employee Handbook.

G-12.6 The SRC will receive and review General Manager monitoring reports each month along with Board Representatives. The SRC Chair will be responsible for compiling SRC comments regarding these reports and shall communicate those comments to the Board.

G-12.7 The SRC Chair will be responsible for representing staff concerns to the TPSS Board through attendance and participation at TPSS Board meetings, including any closed or executive sessions that the Board authorizes the SRC Chair to attend. The SRC Chair shall hold the contents of closed or executive session in confidence and not report back to the SRC, staff, or any other party on the proceedings of such sessions. The Chair is also responsible for preparing and updating an information sheet on the structure and function of the SRC to be given to each new staff. The Chair shall be paid for time spent preparing the agenda and other related work outside of meetings, up to a maximum of 5 hours per month. The General Manager will determine whether the Chair's hours can exceed 40 hours per week (i.e., overtime) or if the Chair's SRC work will be done within the Chair's normal work hours.

G12.8 This policy requires annual Board reauthorization to remain effective.

## **BOARD GENERAL MANAGER LINKAGES**

Policy Type: Board – General Manger Linkages  
**Policy Title: M – Global Board-General Manager Linkage**  
Adopted: July 2002  
Last Revised: [July 2002](#)

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

Policy Type: Board – General Manger Linkages  
**Policy Title: M1 – Delegation to the General Manager**  
Adopted: July 2002  
Last Revised: [August 2013](#)

The Board’s job is to establish, in cooperation with the general manager, strategic direction and key framing policies, leaving implementation and subsidiary policy development to the general manager. All Board authority delegated to staff is delegated through the general manager, so that all authority and accountability of staff can be phrased – insofar as the Board is concerned – as authority and accountability of the general manager.

M.1.1. The Board, collectively, is the supervisor of the general manager. The Board may delegate supervisory authority, when it deems such delegation appropriate, to the Board President and/or a Personnel Committee. However, except where the Board has made a specific delegation, individual Board members shall have no direct supervisory authority over the general manager.

M1.2 The general manager is authorized to establish all further policies, make all decisions, take all action, and develop all activities that are true to the Board’s policies. The general manager shall keep the Board regularly informed of TPSS Co-op’s internal policies through ensuring Board access to the employee handbook and informing the Board of any other management policies related to achieving TPSS Co-op strategic goals and/or Board resolutions. The Board may, by extending its policies, “un-delegate” areas of the general manager’s authority, but will respect the general manager’s authority so long as the delegation continues.

M1.3 As part of TPSS Co-op’s efforts to be a learning organization, the Board Secretary (or designee of the Secretary) shall conduct an exit interview of any general manager who is leaving the position of general manager. The purpose of said interview is to gain input from the exiting general manager regarding strengths and weaknesses of the Co-op so that both the Board and future general managers may perform their roles more effectively.

Policy Type: Board – General Manger Linkages  
**Policy Title: M2 – Monitoring General Manager Performance**  
Adopted: July 2002  
Last Revised: [August 2013](#)

Each year the Board will conduct a formal evaluation of the General Manager. In order for the Board to monitor general manager performance, the general manger shall create a “Goals and Indicators” annual planning document. This document will outline his/her goals, consistent with TPSS Ends Statements and other applicable TPSS policies, along with indicators that measure how well TPSS Co-op does in achieving those goals. An updated Goals and Indicators document shall be submitted to the Board yearly, prior to the beginning of the fiscal year. The Board will review, amend (if and as appropriate), and approve the document, which will serve as the means for monitoring the general manager’s role based upon mutually agreed upon yearly goals and indicators. The general manager shall report on a quarterly basis on organizational performance by measuring progress and outcomes against the year’s goals.

The Board will also monitor the general manager’s performance based on feedback received from outside auditors about organizational performance.

**TPSS Cooperative Board of Representatives**  
TPSS Board Ethical Complaint Resolution Procedure

(This procedure links to Policy M 2)

The Board recognizes that the day-to-day management of store operations, including personnel matters and financial and other resources, are the responsibility of the General Manager. However, the Board also recognizes that as a part of its responsibility to monitor the General Manager's executive performance, it must be accountable to the employees and members of the Co-op in the event that the General Manager's actions are potentially unethical or the effects of management's actions have potentially unethical consequences. This Ethical Complaint Resolution Procedure (ECRP) is not intended to provide an avenue for solving complaints or disagreements with the General Manager, but is for the purpose of addressing **serious and egregious** unethical behavior. All current employees of the Co-op may utilize this procedure.

If an employee believes that the General Manager has engaged in any of the following, *she or he* may file a written complaint with the Board:

- Financial improprieties
- Unethical use or allocation of cooperative resources
- Serious, repeated or ongoing violations of Co-op bylaws, Board policies, or legal and ethical standards

A complaint under this ECRP may be filed only on behalf of oneself, and not on behalf of any other employee(s).

The complaint must be submitted in writing and include the following:

1. The employee's name, address, telephone, and email address.
2. The employee's job title and department, weekly hours, and amount of time employed at the store.
3. The date(s) on which the alleged action(s) occurred and a detailed description of those actions and why they constitute unethical behavior.
4. Allegations should be supported by relevant supporting documentation.
5. A clear statement of the resolution that the complainant is seeking.

Upon receipt of a written complaint, the Board shall convene a confidential ECR committee, which shall consist of three (3) non-staff Board representatives to represent them on the ECR committee.

The Committee shall review the documentation provided by the complainant, and if necessary, request additional information from either the complainant or the General Manager. If necessary and appropriate, the committee may also meet with the complainant, the General Manager, or other experts as necessary and appropriate.

After discussion and consultation the committee shall reach a determination about the validity of the grievance and formulate recommendations about appropriate remedial action and/or resolution. The committee's findings and recommendations shall be presented to the full Board in Executive session.

The full Board will determine what actions, if any, shall be taken and how to communicate these with the complainant and the General Manager.

## POLICY MONITORING

Upon the choice of the Board, any policy can be monitored by any method at any time. For regular monitoring however, each Ends and Executive Limitations policy will be classified by the Board according to frequency and method.

Policy	E1- Social Responsibility	Internal/Annually	
	E-2 Long Term Success	Budget/Annually	GM Report/Monthly
	E-3 Ownership	Budget/Annually	GM Report/Monthly
Board Policy:	Financial Procedures	Monthly/Quarterly	
L – Purpose of Executive Limitation Policy		N/A	
L1-Customer Service and Value		Budget/Annually	GM Report/Monthly
L2-Staff Treatment		HR Docs/Annually	GM Report/Monthly
L3-Compensation and Benefits		Internal/Monthly	
L4-Refer to Board Policy: Financial Procedures			
L5-Budgeting/Financial Planning		Discussion/Annual	
L6-Asset Protection		Internal/Annual	External/Annual
L7-Communication and Counsel to the Board		GM Eval/Annually	Direct Insp./Periodically
L8-Executive Succession		Internal/Annually	
L9-Membership			
G-Global Governance Commitment			
G1-Governing Style		Board Self-Eval./Annually	
G2-Board Job Description		Board Self-Eval./Annually	
G3-Agenda Planning		Board Self-Eval./Annually	
G4-Board President's Role		Board Self-Eval./Annually	
G5-Bord Officer's Role		Board Self-Eval./Annually	
G6-Directors' Code of Conduct		Board Self-Eval./Annually	
G7-Board Committee Principles		Board Self-Eval./Annually	
G8-Cost of Governance		Board Self-Eval./Annually	
G9-Consent Calendar		Board Self-Eval./Annually	
G10-Personnell Committee		Board Self-Eval./Annually	
G11-Media Policy		Board Self-Eval./Annually	
G12-Staff Representation and Staff Representative Committee		Board Self-Eval./Annually	
M-Global Board-General Manager Linkage			
M1-Delegation to the General Manager		GM Report/Direct Inspection.	
M2-Monitoring General Manager Performance		GM Report/Direct Inspection	
M.2.4	Each September the Board will have a formal evaluation of the General Manager. This evaluation will only consider monitoring data as defined here, but as it has appeared over the intervening year.		
MC-Membership Committee Policies			
MC-1 Volunteer Policy		Board Self-Eval/Annually	
MC-2 Member Education Policy		Board Self-Eval/Annually	
MC-3 Member Communications Policy		Board Self-Eval/Annually	
MC-4 Outreach and Member Recruitment		Board Self-Eval/Annually	
MC-5 Diversity and Accessibility Policy		Board Self-Eval/Annually	
MC-6 Privacy and Data-Security Policy		Board Self-Eval/Annually	

Link to Membership Committee Policy Protocols: <http://membership.tpsscoop.wikispaces.net/Membership+Policies>

## MEMBERSHIP COMMITTEE POLICIES

Policy Type: Board –Membership Committee Policy  
**Policy Title: MC–1 Volunteer Policy**  
 Adopted: February 2011

### Purpose:

- To promote a sense of Co-op community
- To promote Member-Owner involvement in the governance of TPSS Co-op
- To promote access to lower-income families
- To add value to staff work

### Legal Considerations:

Federal Law requires for-profit employers to provide workers certain benefits and protections under wage and hours laws. The services that a volunteer performs must not replace or impair employment opportunities of others by performing work that would otherwise be performed by regular employees. An individual may volunteer to perform such tasks as driving vehicles.

### Types of Tasks and Special Events:

1. To perform tasks the staff does not perform: such as delivering food to seniors and/or day care centers.
2. To assist with Co-op special projects, such as maintaining a community garden.
3. To write articles for Co-op-related publications, such as the TPSS Newsletter or website.
4. To perform tasks throughout the store for educational and or charitable needs. Students are not required to have a work permit to volunteer
5. To perform tasks at benefit programs: Earth Day Celebration, 4<sup>th</sup> of July, Takoma Park Jazz Festival, Takoma Park Folk Festival, Takoma Park Street Festival, Harvest Celebration/Pumpkin Painting, providing volunteers to local schools upon the school's request
6. To serve on committees for the Co-op: such as the Finance Committee, Nominations Committee, and Membership Committee (or do support work for committees, such as conducting research on behalf of a Committee). Committees meet once a month. Committee members must be Co-op member-owners.

### Benefits:

TPSS Management will administer the volunteer program and shall report to the Membership Committee (or the Board, if the Membership Committee is inactive) on an annual basis. As a show of the Co-op's appreciation of the services volunteers render on behalf of TPSS Co-op, TPSS Management may provide volunteers with discount cards or gift cards. As a guideline, TPSS management may elect to provide member-volunteers who ably perform tasks at benefit programs a gift card for volunteer time. Members serving on one or more committees may be provided with a 20% discount coupon at the close of the meeting. Nothing in this policy shall be read, however, to require compensation of volunteers. TPSS Management also has discretion to provide greater benefits than outlined herein, provided such exceptions are reasonably related to the quality of service rendered.

Policy Type: Board –Membership Committee Policy  
**Policy Title: MC–2 Member Education Policy**  
Adopted: February 2011

Purpose:

- To fulfill the cooperative commitment to education as stated in internationally recognized cooperative principles (International Co-operative Alliance, 1995)
- To achieve the education “ends goal” of TPSS Co-op
- To spread information about co-ops among employees, member-owners and the general public
- To disseminate information about healthy diet and healthy living
- To provide information about environmental issues relevant to TPSS Co-op
- To promote a sense of Co-op community

Potential Forms of Education:

TPSS Co-op can use a wide variety of means to promote member education. These may include:

- On-line educational materials/displays
- In-store workshops (or sponsored at a nearby site)
- Orientation material: both for new employees and for new member-owners
- Handbooks/manuals that illustrate Co-op values
- Guest speakers, either in-store or at a co-sponsored event
- In-store cooking demonstrations, either in-store or at a co-sponsored event
- Classes (either in-store or at well publicized off-store site)
- Educational presentations at membership-wide events
- In-store educational materials/displays
- Brochures
- Newsletter articles pertaining to co-op education goals

Education Plan:

TPSS Co-op shall have an education plan to enable Co-op member-owners to become more knowledgeable about their Co-op, the Co-op movement, and health and environmental issues relevant to TPSS Co-op. Co-op staff shall have the discretion, in consultation with the Membership Committee, to develop appropriate educational goals and objectives (which will likely draw on the forms of education outlined above) and shall report on what these goals and objectives are — as well as report on progress to achieving those goals, on an annual basis. The education plan may be incorporated into the outreach plan.

Policy Type: Board –Membership Committee Policy  
**Policy Title: MC–3 Communications Policy**  
Adopted: February 2011  
Last Revised: [August 2011](#)

Purpose:

- To have an effective outreach protocol to communicate Co-op information to members
- To promote communication with members through a variety of media
- To promote the Co-op and a sense of Co-op community
- To promote member-owner involvement in the governance of TPSS Co-op
- To promote effective official communication of the Co-op to external organizations (e.g., city government, press, business associations, co-op associations, etc.
- To provide product, health, and environmental impact information to Co-op members

Legal Considerations:

Both State of Maryland law and TPSS Co-op Bylaws require that cooperatives provide specific information to Co-op members, including annual financial reports, notice of meetings, solicitation of nominations, notice of elections, publication of election results, and other pertinent governance issues.

Potential Forms of Communication:

TPSS Co-op can use a wide variety of mechanisms to communicate with members. These may include:

- Bulletin Board
- TPSS Newsletter
- TPSS Web site
- Social networking sites (e.g., Facebook)
- Ads in local media (e.g.: Takoma/Silver Spring Voice, City of Takoma Park newsletter)
- Signs outside the stores
- E-mail listserv
- Co-op calendar in the stores
- Register tapes
- Partner organization calendars and listservs
- Public announcement at Takoma Park City Council meeting
- Leaflet or handout (for example, at Takoma Metro)
- Register flyer

TPSS Co-op is committed to using the forms of communication listed above to make sure that member-owners are aware of the different avenues of communication that they may use to make their needs, views, and voice heard in an effective manner.

Outreach Protocol:

TPSS Co-op shall have an outreach protocol to enable Co-op member-owners to effectively participate in Co-op governance and be well informed in general about important Co-op matters. Co-op staff shall have the discretion to develop appropriate outreach protocols (which will likely draw on the list of media outlined above) and shall report what these protocols are to the Board.

### Web, Newsletter, In-Store Signage, and Other Co-op Communications:

Co-op communicators shall endeavor to meet the goals of this policy: in particular, to foster a strong sense of Co-op community; provide product, nutritional and environmental impact information; and promote the good governance of the Co-op.

### Official Communications:

The Board reserves final authority to represent the Co-op to all external organizations. The Board may choose, at its discretion, to delegate said authority to management, officers, individual Board members, or authorized representatives.

### Co-op Encouragement of Communication by Members:

TPSS Co-op encourages TPSS Co-op member-owners to communicate their views to TPSS Co-op, including through the following means:

- a) Letters
- b) Electronic mail
- c) Open-member forum at the beginning of Board meetings
- d) Participation in committee meetings (with meeting agendas posted in advance in the stores and on the TPSS Co-op website).
- e) Suggestion boxes (both physical boxes and via electronic boxes on the website) to enable members to submit comments or complaints
- f) In-store discussion of issues with Co-op officials or management
- g) Letters to the TPSS newsletter editor.

TPSS Co-op is committed to being responsive to the communications it receives from member-owners and aims to reply to each such communication in a timely manner.

Policy Type: Board –Membership Committee Policy  
Policy Title: **MC–4 Outreach and Member Recruitment**  
Adopted: February 2011

Purpose:

To be engaged with the larger community  
To realize the international co-op principle of concern for community  
To promote access to lower-income families and diverse communities of Takoma Park and Silver Spring  
To educate the broader community about Co-op values, healthful living and sustainability  
To retain member-owners and keep them engaged in the Co-op  
To maintain and expand TPSS Co-op's member-owner base  
To encourage community members to become shoppers and ultimately member-owners of TPSS co-op

Types of Outreach:

1. Community education. Examples include:
  - a. Co-op education programs in public schools
  - b. Community Supported Agriculture (CSA) fairs and other events that raise awareness about local and sustainable agriculture.
2. Member and customer education. Examples include:
  - a. Educational displays or signage in the store.
  - b. Educational newsletter articles about cooperative principles, nutrition, sustainability, etc.
3. Community building. Examples include:
  - a. Networking and cooperation with other community organizations.
  - b. Participation in community events: e.g., Earth Day Celebration, 4<sup>th</sup> of July parade, Takoma Park Jazz Festival, Silver Spring Jazz Festival, Takoma Park Folk Festival, Takoma Park Street Festival
  - c. Family friendly events such as story time hour and the annual Harvest Celebration/Pumpkin Painting.

Outreach and Member Recruitment Plan:

TPSS Co-op shall have an outreach plan to recruit and retain member-owners, conduct outreach to the greater community, and enable Co-op member-owners to become more involved in TPSS Co-op. Co-op staff shall have the discretion, in consultation with the Membership Committee, to develop appropriate outreach goals and objectives (which will likely draw on the forms of outreach outlined above) and shall report on what these goals and objectives are — as well as report on progress to achieving those goals— on an annual basis.

Metrics for Success:

In developing the TPSS Co-op Outreach and Recruitment Plan, TPSS Co-op shall consider:

- Absolute number of member-owners
- Member-Owner sales as a percentage of total sales
- Absolute number and percentage of member-owners participating in TPSS Co-op events
- Absolute number and percentage of member-owners volunteering for TPSS Co-op

- Percentage of member-owners voting in annual TPSS Co-op elections
- Survey data on how well TPSS Co-op is serving the community
- Level of use of supplemental nutrition assistance program (SNAP) by Co-op shoppers
- Absolute number of participants in Co-op outreach events or programs.

Policy Type: Board –Membership Committee Policy  
**Policy Title: MC–5 Diversity and Accessibility Policy**  
Adopted: February 2011

Purpose:

To enjoy the full diversity and richness of the Takoma Park and Silver Spring communities  
To enlist diverse talents for the benefit of TPSS Co-op  
To encompass the broad range of perspectives that are present in the Takoma Park and Silver Spring communities  
To ensure equal access to the economic benefits of cooperation  
To realize the international co-op principle of open membership  
To provide opportunities for personal growth and social change that comes from interacting with people from a full range of backgrounds

Practices to Promote Accessibility and Diversity:

1. Ensuring physical access to the stores for people of different abilities.
2. Having signage readable in the language(s) of TPSS Co-op shoppers and member-owners.
3. Having a staff, Board, and volunteers reflective of the diversity of the Takoma Park and Silver Spring communities.
4. Recruiting member-owners and shoppers from a wide range of communities.
5. Maintaining a Co-op culture that is welcoming to diverse communities.
6. Making available training and education resources regarding diversity (e.g., diversity trainings).
7. Events that mentor leaders in under-represented communities.
8. Provide healthy and sustainable food and products serving a wide range of cultures.
9. Advertising and outreach to community groups.

Diversity and Accessibility Plan:

TPSS Co-op shall have a diversity and accessibility plan. Co-op staff shall have the discretion, in consultation with the Membership Committee, to develop appropriate diversity and accessibility goals and objectives (which will likely draw on the forms of outreach outlined above) and shall report on what these goals and objectives are — as well as report on progress to achieving those goals— on an annual basis.

Metrics for Success:

In developing the TPSS Diversity and Accessibility Plan, TPSS Co-op shall consider:

- Being in compliance with ADA
- Diversity in leadership at the staff and Board levels (race, gender, sexual orientation, etc.)
- Diversity among volunteers and at public events where TPSS Co-op is represented
- Membership survey data on racial, gender, and ethnic identities
- Level of use of supplemental nutrition assistance program (SNAP) by Co-op shoppers

Policy Type: Board –Membership Committee Policy  
**Policy Title: MC–6 Privacy and Data-Security Policy**  
Adopted: February 2011

**Purpose:**

The purpose of this policy is to protect the TPSS Co-op from loss or liability due to unsecured data, to prevent unauthorized use of or access to confidential information, and to protect the privacy of Co-op members, investors, volunteers, staff, and customers.

**Scope and Definitions:**

TPSS Co-op recognizes that certain information is collected in the normal course of business, which must be secured and kept private, including personally identifiable information. At least five classes of information fall into the general category of information that must be secured and kept private or confidential:

1. Member information
2. Staff and volunteer information
3. Customer information
4. Proprietary information
5. Discussions held during closed or executive sessions of the TPSS Board of Representatives

In order to protect the above five classes of information, TPSS Co-op must ensure that its data is secure. To be secure, information must be protected against access by unauthorized individuals or agencies. Data regarding information of all classes must be protected from loss due to:

1. Theft
2. Being misplaced, discarded or destroyed
3. Fire
4. Data-corruption, electronic failure or obsolescence
5. Irrecoverable encryption or loss of passwords
6. Failure to protect and periodically change passwords

**Policy Directives:**

Management shall develop well-defined, written administrative policies and procedures to ensure the necessary degree of privacy and confidentiality for each of the five classes of information described above and to ensure data security. Such policies and procedures shall then be submitted to the Board for approval.

These policies and procedures shall:

1. Direct and document the steps taken to secure each class of data.
2. Describe how secured information will be identified as such.
3. Define when confidentiality agreements must be executed to gain access to information.
4. Prohibit the sale or disclosure of customer information or marketing data, such as shopping-pattern data, to outside individuals or agencies without specific Board authorization.
5. Define which individuals shall have access to specified data of all classes and how authorization for access will be granted and revoked.
6. Provide for the maintenance of records on the individuals that have access to each class of secured information, including the dates of the grants and revocations of access rights, and on other issues related to privacy and data security.

7. Define how inappropriate access to secured information by persons whose relationship with TPSS Co-op has terminated, lapsed or changed is to be prevented.
8. In the case of the policy or policies addressing data security, define the nature of acceptable passwords, encryption, back-ups or other data-security systems, including how often back-ups are performed for each class of secured data; how often passwords, encryption keys and other protections are changed for security purposes; and how administrative records of passwords and encryption keys are to be maintained and secured.

Policy Type: Board –Membership Committee Policy  
**Policy Title: MC-7 Member Benefits Policy**  
Adopted: November 2011

**Purpose:**

- To promote a sense of Co-op community
- To provide shopping incentives to our member-owners
- To show our appreciation to our member-owners for shopping with TPSS Co-op

**Benefits for Member-Owners:**

1. Member Appreciation Day: 10% off your total purchase on a specified day of each month.
2. 10% discount on all special orders.
3. In-store weekly members-only specials.
4. Member discounts everyday on a growing list of 100+ grocery staples (“member basics”).

**Annual Review of Member-Owner Benefit Policy**

Benefits listed in this policy will be reviewed by the Membership Committee and authorized by the Board on an annual basis.

Policy Type: Board –Membership Committee Policy  
Policy Title: **MC-8 Member Installment Policy**  
Adopted: July 2012

Purpose:

- To increase the number of member-owners and capitalization of TPSS Co-op;
- To increase the percentage of overall sales to member-owners;
- To encourage member-ownership by people with limited incomes so that the Co-op better and satisfies our end statement to be “inclusive and accessible to the whole community”; and
- To meet the bylaw requirement in Bylaw 3.1(D) that: “The Board or its designee shall develop and implement a payment plan to enable persons who cannot afford to pay.”

Procedure:

1. TPSS recognizes that some members may not have the cash available to pay for 100% of their capitalization at once and will strive to make ownership accessible to all.
2. TPSS shall offer at least one installment plan. It may choose to offer multiple plans. It may charge fees to cover the administrative costs of installment collection. Such fees shall not exceed 20 percent of the total cost of membership.
3. At least one installment plan shall offer the ability to pay membership in monthly installments. As long as the member capitalization level remains at \$100, this plan will charge \$10 a month over 12 months. The first, and fourth through twelfth months shall count toward member capitalization. The second and third month shall count as the administrative fee.
4. If payment is made by installment, TPSS shall require the incoming member-owner to sign a written agreement and/or promissory note whereby the new member-owner agrees to pay for a capital share over an established period of time.
5. TPSS Co-op management and staff may administer collection of installment payments as they see fit. This may include a monthly credit card fee, a monthly electronic funds transfer, or monthly collection of the fee at the cash register, among other options.
6. A member shall be “in good standing” and shall enjoy all rights and benefits of membership (including discounts), as set forth in Bylaws and Co-op Policy (e.g., MC-7), so long as the member is current in his/her payment of all installments.
7. If a member-owner fails to fully pay any installment of member capital when due, and the amount due is not paid in full within thirty (30) days after written notice is sent to the memberowner advising him/her of the nonpayment, then the member-owner’s rights shall be suspended and the member-owner becomes subject to termination.
8. TPSS shall notify the member-owner in writing of the impending termination. Notice must be given at least ten (10) days prior to termination, unless the member-owner fails to satisfy the requirements of Bylaw 2.3(B) (duty to provide TPSS Co-op with correct address), in which case TPSS Co-op will make reasonable efforts to locate the member-owner. If TPSS fails to locate the member-owner within sixty days and nonpayment persists, membership shall terminate automatically and any capital contributions made shall be treated in accordance with Bylaw 3.1(G).