

BOARD ROLES AND RESPONSIBILITIES

The Function of the Board of Directors

The Board of Directors (BOD) of the Chico Natural Foods Cooperative (CNFC) is democratically elected to use and protect the resources members have entrusted to it. The Board is responsible for ensuring that management carries out all cooperative activities (successful store operations, personnel, and planning for the organization) in accordance with the wishes of members (referred to in this document as members, member-owners, and/ or owners interchangeably). Members can expect from their Board:

1. Review and oversight of the budget
2. Linkages to the member owners
3. Comprehensive policies
4. Assurance of performance
5. Perpetuation of the Co-op

Board members are ambassadors in the community for the store and its vision / mission. They must act in a competent manner at all times with respect to issues of confidentiality, store competitiveness and conflict of interest.

While an individual director may disagree with a decision made by the majority of the Board, they must support that policy or action as being the considered judgment of the Board. An individual director always has the right to present further evidence and argument to the Board for further consideration.

Directors only have authority when acting collectively as a Board. At all other times, directors have no more authority than any other member-owner of the cooperative.

Our BOD has Three Primary Goals:

1. Act as trustees on behalf of the members. The BOD does this by carefully monitoring the co-op's financial status, reporting on the status of the co-op to members, and ensuring that the co-op follows its bylaws, policies, and appropriate regulations.
2. Ensure sound management of the co-op. The BOD is responsible for hiring and monitoring the performance of the General Manager (GM). Evaluating the GM involves reviewing management reports, and monitoring key indicators such as sales trends and other financial ratios.
3. Set long-range goals and ensure planning for the co-op's future. The BOD does this by discussing strategic planning, approving yearly and long-range plans, and setting performance goals.

Five Responsibilities for the BOD

1) CORPORATE

- define corporate direction, goals, and policies.
- hire and evaluate the performance of the General Manager (including definition of the General Manager's duties)
- use a system for review of major corporate on-going (e.g., annual budget) and special (e.g., expansion) plans and commitments
- appoint corporate and Board officers
- fill Board vacancies occurring between annual BOD elections

2) LEGAL

- enforce articles of incorporation and bylaws
- retain Board of Directors' legal counsel, when needed

3) FINANCIAL

- understand financial statements and analyze basic trends
- ensure that capital and operating budgets are established annually and in a timely fashion
- approve long-term financial commitments
- assure sound financial operations
- approve fundamental changes in corporate financial structure
- select an outside auditing firm to conduct an external audit, as the BOD deems necessary

4) MEMBERSHIP

- assure member decisions are obtained in matters warranted per bylaws
- actively solicit member input on decisions which are the Board's responsibility but affect the long term direction of the co-op
- establish yearly goals and objectives as early as possible after the new Board is seated
- present to members an annual report that clearly describes the co-op's operations and financial status

5) ETHICAL

- stay informed
- act in good faith
- provide leadership
- receive no special gain as Director
- maintain confidentiality
- balance needs of diverse groups (public, member, customer, employee, government)
- foster high industry standards

General Reference of BOD Duties

Specific Responsibilities

1. Work with management to establish long-term purpose and goals.
 - a. Approve annual and long-term objectives, goals and performance targets.
 - b. Monitor progress toward goals and objectives.
2. Define the General Manager's responsibilities and goals.
 - a. Hire & evaluate the General Manager & approve the GM's compensation package.
3. Review capital and operating budgets.
 - a. Monitor financial position, indicators, and plans for use of capital.
4. Perpetuate a strong Board through recruitment, elections, training and professional development.
5. Select and retain outside auditors, legal counsel and other advisors, as necessary.
6. Contribute to a positive public image for the Co-op.
7. Ensure the Co-op adheres to all relevant laws, including its bylaws.
 - a. Prepare and recommend changes to the governing documents as required.
8. Ensure adequate communication to the membership regarding Co-op plans.
9. Perform all other responsibilities of a Director as required.
10. Serve on at least one committee.

Monthly

- prepare for and participate in Board meetings
- prepare for and participate in at least one Board committee

Yearly

- prepare for and participate in the Board retreat, if any
- prepare for and participate in Board/Staff planning sessions, if any
- write at least one newsletter article
- review and understand all Co-op rules, by-laws, policies, and Board agreements
- assist with Board recruitment

Expectations of Regular Board Committee Chairs:

- work with committee members to establish committee goals – short and long term
- set agenda, call and chair meetings
- document committee business using the committee minutes template

Director of the Board Job Description

The Board of Directors is committed to carrying out the mission of Chico Natural Foods Cooperative (CNFC) as stated in the Articles of Incorporation, Bylaws, and Policy Register. The Board provides collective leadership to the General Manager on behalf of owner-members.

DUTIES

- A.** Prepare for each Board of Directors meeting by completing Board monitoring reports, reading committee reports, financial statements, and other materials distributed in the Board packet prior to the meeting.
- B.** Attend all regular and special Board meetings, participate in the proceedings, and follow the agenda.
- C.** Serve on at least one committee and actively participate in meetings of the committee.
- D.** Maintain knowledge of current corporate policies and the objectives of the cooperative.
- E.** Actively recruit CNFC owners to serve on the Board and on committees.
- F.** Serve as an advocate of the cooperative to the community.
- G.** Be accessible to the General Manager and other Board Members as needed.
- H.** Fulfill commitments within the agreed-upon deadlines.
- I.** Hold in confidence any sensitive information. All issues related to personnel, real estate, market strategy, pending litigation, contract negotiations, and financial status (member loans, bank loans, General Manager salary, etc.) will be considered sensitive issues subject to confidentiality unless or until full disclosure is approved by the Board as a whole.
- J.** Read and comprehend the Articles of Incorporation, Bylaws, the Policy Register, and the Board of Directors Manual.
- K.** All Board members should be open to assume an officer role if the need arises.

Officers' Job Descriptions

Chico Natural Foods Cooperative Board of Directors

Desired Qualifications for officer positions

- Leadership ability
- Planning and facilitation skills
- Strong communication skills
- Ability to:
 1. Work with teams and delegate responsibility
 2. Write reports, such as minutes of committee meetings
- Commitment to the purpose and programs of Chico Natural Foods Cooperative:
 1. Familiar with CNFC governing documents such as the By-Laws and Policies
 2. Familiar with CNFC management
 3. Familiar with CNFC organizational procedures, activities, and issues
- Willingness to participate in executive committee meetings, as needed

Board President Job Description

Purpose

To provide leadership and direction to the governing Board of Directors on behalf of the Owners through ensuring that all Directors understand their responsibilities in regard to sound programmatic and fiscal management of the Co-op.

Duties and Responsibilities

- Act as principal executive officer of the corporation.
 - Represent the Board of Directors to the Owners and the Public.
 - Ensure agendas are prepared for Board, Executive Committee and Owners' meetings. Board meeting agendas shall be completed one week in advance.
 - Preside over all Board, Executive Committee and Owners' meetings.
 - Sign, with other appropriate officers, corporate and legal documents.
 - Act as the primary liaison with the General Manager.
 - Maintain current knowledge of co-op related programs and activities.
 - Ensure that all motions and votes are recorded.
 - Supervise committee Chairpersons.
 - Ensure Board follow-through on all assigned tasks.
 - Ensure there are opportunities for communication between the Board and Owners.
 - Assist in orientation of new Board members.
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Board Vice President Job Description

Purpose

To ensure continuity in the leadership of Chico Natural Foods Cooperative Board of Directors by assisting the President.

Duties and Responsibilities

- Preside over Board, Executive Committee and Owners' meetings in the absence of the President.
- Perform duties assigned by the current President when called upon.
- Attend and participate in monthly agenda planning meetings with President and GM.
- Assist in orientation of new Directors.

Board Secretary Job Description

Purpose

To oversee the record keeping and correspondence of the Board of Directors and the Owners, assuring compliance with the provisions of CNFC Bylaws and Policies.

Duties and Responsibilities

- Monitor the recording of the minutes for Board meetings.
 - Verify that minutes are distributed and filed in the approved document storage.
 - Send notices in accordance with the provisions of the Bylaws or as required by law.
 - Maintain the directory list of Board members including names, addresses, phone numbers, email addresses and current position.
 - Monitor and enforce parliamentary procedure at Board meetings.
 - Ensure corporate records are in an orderly and accessible fashion in the approved document storage so that the records are protected for long term safekeeping.
 - Sign official corporate correspondence.
 - Assist in orientation of new Board members.
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Board Treasurer Job Description

Purpose

To oversee the discharge of the Board's fiduciary responsibilities with regard to the financial management of Chico Natural Foods Cooperative.

Duties and Responsibilities

- Assure that periodic financial reporting required in the CNFC Policy Register and the BOD Annual Calendar is submitted to the Board of Directors on schedule.
- Assist the BOD with understanding financial statements and reports.
- Oversee the Board budget.
- Chair the Finance Committee.