

POLICY TYPE: GOVERNANCE PROCESS  
POLICY TITLE: G4 – BOARD MEMBERS’ CODE OF CONDUCT  
ADOPTED: 4-08  
LAST REVISED: 12-09, 3-10, 08-16

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

Accordingly:

- G4.1 Board members must represent complete loyalty to the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, other organizations, employees of the cooperative, and any personal interest as a consumer or as a vendor.
- G4.2 Board members must avoid any conflict of interest with respect to their fiduciary responsibility.
  - G4.2.1 An individual member shall be under an affirmative duty to disclose their actual or potential conflicts of interest in any matter under consideration by the Board. Members having such an interest may not participate in the decision of the matter, nor, unless otherwise determined by the Board, in the discussion of the matter.
  - G4.2.2 An individual member shall not, during her/his term of office, be a party to a contract for profit with the Co-op differing in any way from the business relations accorded each member or upon terms differing from those generally current among members.
  - G4.2.3 Board members must not use their positions to obtain for themselves, family members or close associates employment within the organization, a business relationship with the co-op, or preferential treatment. A board member may not be a paid employee.
- G4.3 Board members may not attempt to exercise individual authority over the Cooperative, or representation of the Board or the Cooperative, except as explicitly set forth in Board policies.
  - G4.3.1 Board members' interaction with the General Manager or with staff must recognize the lack of authority in any individual director or group of Board members except as noted above.
  - G4.3.2 Board members' interaction with the public, press or other entities must recognize the same limitation and the similar inability of any director to speak for the Board, except to repeat explicitly stated Board decisions.

G4.3.3 Except for participation in board deliberation about whether the GM has achieved any reasonable interpretation of board policy, directors will make no judgments of the General Manager or staff performance.

G4.4 As board members are elected by the general membership of the co-op, it is expected that board members will have conversations with membership about the Co-op while complying the the general parameters that follow:

An individual member shall maintain confidentiality as needed to protect the Co-op's interests and financial viability. Directors shall not discuss disputed or confidential corporate actions, policies, or issues with Co-op members, employees, or the general public unless the board has decided that such information is no longer confidential. All issues related to personnel, real estate transactions, strategic proposed business strategies and goals, and pending litigation will be considered sensitive issues subject to confidentiality unless or until full disclosure is approved by the Board as a whole. Public printed information shall be construed as approved minutes, end-of-year financial information, and an abstracted quarterly report that can be read at the end of each quarter or in the board folder at the co-op.

G4.5 Individual members shall contribute productively to the Board's work by

G4.5.1 Regularly attending and actively participating in the Board's meetings, training sessions and retreats.

G4.5.2 Coming to board meetings prepared to participate responsibly by having read all meeting materials.

G4.5.3 Responsibly expressing one's own opinion, and respecting others' opinions.

G4.5.4 Accepting and supporting the legitimacy and authority of Board decisions, irrespective of the director's personal position on the issue group decisions as legitimate.

G4.5.5 Sharing responsibility for group behavior and productivity.

G4.6 Board members who wish to raise individual concerns with the GM, outside the context of a board meeting, should direct these concerns to the Board President, who can direct these concerns to the GM, if appropriate. If the President does not find it appropriate to pass on the concern, two board members may call a special meeting of the board to talk about the issue.