



Fare Share Co-op

A member-owned and operated
natural foods cooperative in
Norway, Maine since 1978



Board of Directors Candidacy Information

2016



Dear Prospective Board Candidate,

Thank you for your interest in serving on the Fare Share Co-op Board of Directors!

We ask that you read the enclosed information carefully as you consider application. Our Board of Directors has nine (9) seats. Each year will fill three (3) seats. All of the seats will serve three (3) year terms. The Member/Owners of Fare Share elect Board members during an election season in the Fall and Spring of each year. If there are vacancies the Board may appoint Directors on an interim basis until election at the next Member/ Owner meeting.

The Board has established the following criteria to screen candidates for their eligibility, preparation, and commitment to serve on the Board:

- 1) Be a fully invested owner of the Co-op in good standing;
- 2) Attend and participate in a Board Orientation Session for new Directors;
- 3) Submit a current resume/background information along with a letter indicating your interest in joining the Board;
- 4) Confirm in the application the candidate's ability to abide by the Directors Code of Ethics and Code of Conduct, if elected;
- 5) Participate in an informal interview, if requested; and
- 6) Agree to abide by any rules governing the Board.

Prospective Board members are encouraged to attend a Board meeting prior to elections. The Board currently meets from 2-4pm on the 4th Tuesday of each month. The Board may consider moving the meeting time to best suit the Directors' schedules.

Cooperatively Yours,

A handwritten signature in black ink that reads "Mary Ann Haxton".

On behalf of Fare Share's Board of Directors (bod@faresharecoop.org)



7 Co-operative Principles

1. Voluntary and Open Membership

Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

2. Democratic Member Control

Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. People serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are organized in a democratic manner.

3. Member Economic Participation

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

4. Autonomy and Independence

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

5. Education, Training, and Information

Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public—particularly young people and opinion leaders—about the nature and benefits of co-operation.

6. Co-operation Among Co-operatives

Co-operatives serve their members most effectively and strengthen the co-operative movement by working together through local, national, regional, and international structures.

7. Concern for Community

While focusing on member needs, co-operatives work for the sustainable development of their communities through policies accepted by their members.

Cooperative Values

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

Self-help

Self-responsibility

Democracy

Equality

Equity

Solidarity

Honesty

Openness

Social Responsibility

Caring for others

These statements were adopted at the 1995 Congress and General Assembly of the International Co-operative Alliance (ICA).



Frequently Asked Questions

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

The Board of Directors is the governing body for the Owners of Fare Share. It is composed of nine people, all Owners of Fare Share, elected by Owners. Terms for Directors may range from one to three years as needed to ensure no more than three terms are scheduled to expire every year.

The Board is responsible for ensuring organizational performance on behalf of all of Fare Share's Owners. This work includes developing clearly stated expectations through written policies; delegating responsibility for, and authority over, the achievement of stated objectives; and monitoring compliance with written policies.

As Will Rogers said, "Even though you are on the right track - you will get run over if you just sit there." The Board of Fare Share utilizes the Co-op's Bylaws and Policy Governance to guide its decisions and actions. Reports will be assigned to the nine Board Members on a schedule published in January. Reports are due one week prior to the Board meetings. (More on PG below.) The Board should be strategic and visionary with its view toward the future of our cooperative, rather than focusing solely on the short-term. Ends Policies articulate the results that Fare Share aims to accomplish:

ENDS 1: ACCESS TO PRODUCTS

ENDS 2: CO-OPERATIVE BUSINESS/ SUSTAINABILITY

ENDS 3: COMMUNITY EDUCATION

ENDS 4: COMMUNITY CULTURAL CENTER

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

The Board governs the organization and delegates all operational duties to one employee, the General Manager (GM) of Fare Share. We are involved in strategic planning, financial oversight, Ownership linkage, fundraising, and community outreach.

What does the Board of Directors NOT do?

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

What are the requirements for serving on the Board?

Directors must be Owners of Fare Share in good standing without a substantial conflict of interest such as affiliation with any enterprise that is in competition with the Co-op. Once elected, Directors must sign a Statement of Agreement and publicly disclose any potential conflicts of interest. As for individual qualifications, Board experience is helpful, but not a prerequisite for Directorship. More important are: willingness to work closely and cooperatively with the other Directors; commitment to providing the time and energy necessary to accomplish the Board's objectives and fulfill the required term; the ability to learn quickly; access to the internet as the board uses email on a regular basis; the ability and capacity to write and share reports; and organizational skills.

How much time would I need to put into serving?

The Board holds one regular meeting for two hours each month, at which attendance is expected. Beyond this regular meeting, the time commitment for a Director typically averages out to an additional 1–3 hours per week, including preparation for regular monthly meetings as well as specially-called Board meetings, and participation on committees. In addition, the Board holds a mandatory orientation session soon after the elections, providing basic training plus giving Directors a chance to relax and get to know each other better.

What compensation is there for serving?

Each Director receives up to a 15% store discount and pays the wholesale cost plus 5% on pre-orders.

What are the Board's responsibilities?

Set long-term goals and ensure planning for the future
Ensure sound management of co-op resources
Act as trustees on behalf of the owners

To fulfill these responsibilities, the Board of Directors must focus on these key functions:

Hire, supervise and evaluate the co-op's General Manager

Plan for the co-op's future and approve management's plans

Approve capital and operating budgets

Recruit new directors to ensure a well-qualified board

Make decisions about the mechanics of the co-op's governance system, development of policies and guidelines and other related matters, (Note: The board does NOT make operating decisions for the store, choose products or supervise staff other than the General Manager).

Understand and promote the mission of the Fare Share Co-op

Understand the role of the Board of Directors

Act in the interests of the whole ownership, not a specific constituency

Attend meetings faithfully and serve on committees effectively

Assess their own performance as a Board of Directors

Act in accordance with the Codes of Ethics and Conduct (BP 7)

Assure continuity of the highest quality in board directorship

I'm not sure I have the time to commit, but I want to serve Fare Share; how can I make up my mind whether or not to run?

Owners in good standing are always welcome to attend the meetings of the Board. You can see how the Board functions and meet the current Directors. You may gain useful perspectives on the issues currently facing Fare Share. Additionally, the Board meeting minutes are posted in the "Info Café" corner of the store.

It sounds like a big step!

And worthwhile! As a co-operative, Fare Share is only as strong as its Ownership. The Board traditionally has been a diverse group of people with a wide range of skills who have brought the store to where it is today—serving the Oxford Hills community since 1978 as a vibrant organization that benefits our Owners and the community!



Policy Governance

The Fare Share Board operates using the Policy Governance™ model, which was developed to allow Boards to maintain accountability for organizational performance while focusing on providing visionary leadership around our 'big-picture' mission. With the recognition that delegation is a significant component of our accountability, the Board maintains written documentation of expectations for our organization, our General Manager, and ourselves. Our policies are the primary vehicle for recording these expectations, and they are monitored on a regular basis.

The relevance of this methodology stems from (1) the fact that a significant volume of information is required to fulfill our fiduciary duties; (2) the need to delegate authority in order to accomplish our organizational purpose; and (3) the desire to ensure that our Owners and stakeholders are well-served by organizational accomplishments.

The Policy Governance model is designed to allow the Board to delegate with great clarity by completing three steps:

1. Expressing the expectations of the job being delegated.
2. Assigning the expectations with no ambiguity to the party who is to be held accountable for meeting them.
3. Checking that expectations were met.

We have four general categories of policies that express our expectations for ends to be achieved and the acceptable means by which to achieve them:

1. – Ends

Ends policies broadly state the desired organizational outcomes. They describe the ongoing priorities of what should be achieved and for whom. The General Manager is responsible for reporting on compliance with these policies once a year.

2. – Management Policies (MPs)

These policies delineate job expectations and acceptable constraints within which the GM can act. The GM develops a written report for the Board on each of these policies on a regular basis throughout the year, and the Board evaluates whether the interpretation was reasonable, and makes conclusions about whether the GM is in compliance. If it is determined that we are not in compliance with our policies, the Board discusses the reasons for this result and establishes parameters and expectations for achieving compliance within a set time frame. The Board may require additional monitoring of the policy (on a more frequent basis) or even conclude that the policy needs to be revised.

3. – Board Governance (BPs)

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

4. – Board- General Manager Linkage (B-GMs)

These policies describe how the Board delegates to our sole employee, the GM. The board evaluates its compliance

with these policies throughout the year.

The Board of Directors exists for the purpose of ensuring, on behalf of our Owners, that the organization performs as it should. We must constantly evaluate our performance in light of our Ends—the accomplishments, which justify our existence.

You can read all of our policies online at:

<http://Fare ShareCoop.org/Governance>

The Policy Governance methodology was developed by John Carver as a means to structure Board process to allow for Board accountability on a meaningful level and empower the Board to lead their organizations at the highest level. The term Policy Governance is registered and protected and is often called "PG" by the hipsters. Carver's website address is: www.carvergovernance.com



Board Candidate Application

This application gives voters information about your background and expertise, what you can offer to the Fare Share Co-op, and what interests you about serving on the Board. A Board member may call you for further information, but generally, these answers will be your way of communicating to other Fare Share Owners why you should be a Board member. Feel free to contact the Board if any questions arise at bod@faresharecoop.org.

All materials must be submitted electronically to bod@faresharecoop.org. You must be a fully invested owner of Fare Share in order to serve

A complete application will include:

- **This application packet, fully completed. The Board will ask you to revise and shorten any responses over the stated word limit.**
- **Your professional resume or summary of your experience.**
- **Two references (personal or professional – not related to the candidate), with phone and email**
- **A signed Statement of Agreement with conflict of interest disclosure.**

Two clauses in the Bylaws state explicitly what kinds of conflicts of interest need to be disclosed:

- **Competitors' Conflict of Interest.** No person shall be eligible for nomination, election or appointment as a director if that person is determined by a majority of disinterested directors to have a substantial conflict of interest arising from an affiliation with any enterprise that is in competition with the Co-op.
- **Conflicts of Interest.** Directors are under affirmative obligation to disclose any actual, potential or perceived conflicts of interest. The remaining directors by majority vote shall determine the process for participation, if any, by those with such conflicts. If a director or member of the immediate family or immediate household of any director is engaged by the Co-op in any capacity other than as a director, this capacity shall be fully disclosed in a manner sufficient for the voting owners and other Directors to determine whether a conflict of interest might arise. Directors with actual and substantial conflicts of interest may not participate in the discussion or decision in matters related to the conflict.

Name _____

Address _____

How many years have you lived in Oxford Hills? _____

Phone # _____

E-mail _____

Place of employment _____

Position/Title _____

Responsibilities of Board Members

*Please read carefully and thoughtfully; **check each item** to indicate that you are willing to take on these responsibilities. In general, members of a co-op Board of Directors have the same duties as the Directors of any business. In addition, co-op Boards must act on behalf of Fare Share's Owners (as fiduciaries), meaning that individual Directors have to balance individual interests, business interests, and member interests when making decisions. To do this, Directors must be able to:*

- _____ Uphold fiduciary duty on behalf of Fare Share's Owners
- _____ Exercise due diligence in monitoring Fare Share's financial condition
- _____ Abide by the Codes of Ethics and Conduct policies (last two pages of this packet)
- _____ Maintain confidentiality when required
- _____ Faithfully honor all legal obligations that come with Directorship, which include the:
 - _____ Duty of care (make informed decisions in good faith; act as a prudent person; use a good process for decision making; be honest; ensure adequate record keeping)
 - _____ Duty of loyalty (always act in the best interest of the cooperative; disclose and avoid conflicts of interest; engage in no self-dealing; maintain confidentiality)
 - _____ Duty of Attention/Diligence (attend meetings; participate in discussions; be prepared; review materials; ask questions; know and adhere to state laws and the co-op's Bylaws; support Board decisions and policies; honor contracts; ensure payment of all tax obligations)

Expectations of Board Members

*Please read carefully and thoughtfully; **check each item** to indicate that you are willing to meet the expectation.*

- _____ Shop regularly at the Co-op.
- _____ Be prepared for meetings, including reading—carefully and thoughtfully—the agenda packet in advance of every Board meeting.
- _____ Participate fully in Board meetings. Attend all monthly meetings, as well as any meetings of committees you may serve on (1–3 hours a week). Special projects may require more time commitment.
- _____ Actively participate in Board discussion via e-mail or phone between meetings as necessary.
- _____ Attend the Bylaw/PG Board Orientation.
- _____ Attend Owner meetings, events and fundraisers.

Application Questions

Please provide us with a **personal statement (150 words or less)** discussing your personal story, what connects you to Fare Share and what motivated you to run for the Board.

In addition, please **answer the following four questions**. Please keep your responses to each question to **50 words or less**. The Board will ask you to shorten any responses over this word limit.

1. What role do you think Fare Share will play in Oxford Hills' future?
2. In what ways are you working to contribute to and improve the Oxford Hills community?
3. If you can find healthy, organic food at another grocery store, why choose Fare Share?
4. Which of the 10 cooperative values resonates with you most (see page 3), and why?

Please provide a resume and the names, phone numbers and email addresses of two personal or professional references.



Statement of Agreement

BP 7: Board Member's Code of Ethics and Conduct

This code of ethics and conduct clarifies the role, conduct, and authority of the individual Directors in order to create unity and coordination between Directors, management, member/owners and staff. Ethics is defined as a moral philosophy or code of conduct practiced by a person or group of people.

BP 7.1: The Board's authority is to oversee the Co-op's affairs in a manner deemed beneficial to the cooperative as a whole. As representatives, the Directors shall conduct themselves so as to foster confidence in the Board and reflect positively on the Co-op, its members, managers and employees.

BP 7.2: The Board of Directors commits itself to honest, ethical, professional, and lawful conduct, including proper use of authority. Directors work to build a community of trust and respectful relationships within the Co-op. Directors shall keep member/owners informed of the Co-op's status and plans, and of the Board's work, as appropriate.

BP 7.3: Directors will refrain from interfering authority of the General Manager who, under the direction of the Board, has the authority for the overall and day-to-day operation of the business. The General Manager employs, supervises, and discharges all employees, agents and laborers, and engages in all negotiations and discussions on behalf of the cooperative as necessary.

BP 7.4: Directors shall actively participate in training opportunities and utilize resources available to improve Board leadership skills.

BP 7.5: Directors shall work to ensure that the Co-op is controlled in a democratic fashion by its members, that all elections are open and fair, and that participation of all members is encouraged.

BP 7.6: Each Director's authority is equal only to the rights and authority of any individual member of the Co-op, except when the Board is in formal meeting. No individual Director may take action on behalf of the Co-op alone, unless explicitly delegated by Board policy or action of the Board. Directors will refrain from asking for special privileges.

BP 7.7: Directors shall contribute to and encourage open, respectful, and thorough discussions by the Board. Directors shall act supportively, work cooperatively, participate fully, and abide by the consensual action of the Board, even if it is not a Board member's personal opinion.

BP 7.8: No individual Director has an exclusive right to information that has not been made available to all Directors. Board members will give no voice to individual judgments by others regarding General Manager or staff performance without Board authority.

BP 7.9: Any individual Director shall have the right to present further evidence to the Board for consideration in a manner consistent with the Board's practices. The Board shall have the duty to reconsider its action appropriately.

BP 7.10: All Directors will maintain confidentiality with regards to actions, policies, or issues related to personnel, real estate, market strategy and goals, pending litigation, and details of the Co-op's financial status unless all Directors agree that such information is no longer confidential.

BP 7.11: Directors will represent loyalty to the interests of the Co-op's member/owners. This supersedes any conflicting loyalty, such as advocacy or interest groups and membership on other Boards or staffs.

BP 7.12: Directors will present the agreed-upon view of the Board of Directors, not their own, when speaking for the Co-op to employees, members, shoppers, and the general public, press or other entities.

BP 7.13: Directors shall disclose all conflicts of interest and refrain from discussing or voting on related issues. When the Board is to decide upon an issue that a member has an unavoidable conflict of interest, that member shall leave without comment and not participate in deliberations or voting. Members will annually disclose involvements with organizations, vendors, or associations that may produce a conflict.

BP 7.14: To assure openness, competitive opportunity, and equal access to information, there shall be no conducting of private business between any Board member and the organization.

BP 7.15: Board members must not use their positions to obtain employment for themselves, family, or close associates. Should a Board member desire employment, they must first resign from the Board.

BP 7.16: Board members pledge to do their best for Fare Share Co-op. They shall prepare for, promptly attend, and attentively participate in all regular and special Board meetings.

BP 7.17: The Board is responsible for carrying out other duties as provided by the By-laws or by general or specific corporate laws devoting the time needed to fulfill the responsibilities of the position.

BP 7.18: If, by consensus of the Co-op Directors, a Board member has violated this Code, he or she shall resign their position and shall not seek to cause any disruption to the Co-op and Board, for that action.

Each Board member shall review this policy annually and acknowledge compliance with a signature, collected by the Secretary. If a member's situation changes during the year, this should be made known immediately to the Board President in writing for inclusion in the Agenda at the next Board meeting.

As a co-op Director, I agree to abide by this Statement of Agreement. I agree that if, in the opinion of the majority of co-op Directors, I have violated the letter or spirit of this agreement then I shall resign my position on the Board immediately.

Printed Name of Co-op Director

Signature of Co-op Director

Date