



Policy Governance Overview

The Cook County Whole Foods Coop 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. The key to policy governance is to focus the board's responsibilities into three areas: setting long term ends (or outcomes) and organizational limits; holding the general manager accountable for organizational performance within those ends and limits; and, creating an active dialog with the member/owners about updating the ends of the organization.

With the recognition that delegation is a significant component of our accountability, the board maintains written documentation of expectations for ourselves, our organization, and our general manager. Our policies are the primary vehicle for recording these expectations, and they are monitored on a regular basis.

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

A – Ends

Ends policies broadly state the desired organizational outcomes. They describe the ongoing priorities of what should be achieved, for whom, and at what cost. The general manager is responsible for providing a written report on compliance with these policies once a year.

B – Board Process

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

C – Governance-Management Connection

The Board-GM policies describe how the board delegates to our sole employee, the general manager. The board evaluates its compliance with these policies throughout the year.

D – Executive Limitations

The Executive Limitations delineate job expectations and acceptable constraints within which the general manger can act. The general manager 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.

Policy Governance is an ongoing, evolutionary process. As the Coop board and future boards work with the basic policies we have adopted as a starting point, existing policies will be amended and new policies may be added to the register. Member input is vital to the board's ability to define and redefine its policy goals and the board invites everyone to join the conversation.

* 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. Carver's website address is: www.carvergovernance.com