

Policy Registry

Corner Garage Co-op, Inc.

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Ends Policies

Corner Garage Co-op

Abstract

Ends (E) 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.

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Policy Num	E.1
Policy Title	Ends
Policy Review	Annually
Last revised	April 27, 2019
Last Reviewed	April 27, 2019

E.1.1 Corner Garage Co-op will:

E.1.1.1 Be an advocate for autosport.

E.1.1.2 Promote sustainability by encouraging maintenance and purchasing fewer new vehicles as well as by recycling fluids and parts.

E.1.1.3 Promote kindness and learning in a safe, non-judgemental, environment.

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Board Process Policies

Corner Garage Co-op

Abstract

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

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Policy Num	B.1
Policy Title	Global Governance Commitment
Policy Review	Annually
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B.1.1 Acting on behalf of the co-op's owners, the board ensures the success of the cooperative by working together effectively, empowering and holding accountable professional management, providing strategic leadership for our cooperative, and perpetuating a democratic organization.

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Policy Num	B.2
Policy Title	Governing Style
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B.2.1 The board will govern in a manner consistent with the “Statement on Co-operative Identity” adopted by the Congress and General Assembly of the International Co-operative Alliance. In order to do this, the board will:

B.2.1.1 Be a strategic leader by focusing its vision outward and toward the future.

B.2.1.2 Ensure effective systems of delegating authority to professional management, holding the use of that power accountable, and clearly distinguishing between board and management responsibilities.

B.2.1.3 Maintain group discipline, authority and responsibility.

B.2.1.4 Practice, protect, promote and perpetuate a healthy democracy for our cooperative by:

B.2.1.4.1 Actively encouraging and listening to diverse viewpoints.

B.2.1.4.2 Active and informed participation.

B.2.1.4.3 Faithfully representing the owners’ best interests.

B.2.1.1 Anticipate issues and engage opportunities proactively.

Policy Num	B.3
Policy Title	Job Description
Policy Review	Annually
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B.3.1 In order to govern successfully the board shall:

B.3.1.1 Communicate regularly with the owners on its role, its activities and its decisions. The board’s fundamental accountability to the owners includes fiduciary and legal responsibility.

B.3.1.2 Hire, compensate, delegate responsibility to, and hold accountable a General Manager (GM).

B.3.1.3 Work with the GM to develop Management (M) Policies.

B.3.1.4 Use a strategic process to determine GM compensation and complete this process in a timely manner.

B.3.1.5 Have written governing policies.

B.3.1.5.1 Oversee the development and maintenance of guidance documents to support these governing policies. These documents will include the Ownership Administration Guidelines; the Procedures for Co-op Votes; and Procedures for Recruitment, Orientation and Training

B.3.1.1 Regularly monitor operational performance in the areas of Ends (E) and Executive Limitations (L), and board performance in the areas of Board Process (B) and Management Process (M).

B.3.1.2 Perpetuate the board’s leadership capacity using ongoing education and training, a robust recruitment, qualification and nomination process and fair elections.

B.3.1.3 Perform other duties as required by the bylaws and articles of incorporation, or because of limitations on GM authority.

Policy Num	B.4
Policy Title	Agenda Planning
Policy Review	Annually
Last revised	April 28, 2019
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B.4.1 The board will follow a strategic multi-year work plan and annual agenda that focuses its attention toward the future.

B.4.2 The board will follow an annual governance cycle that will run from January to December.

B.4.3 The board will create, and modify as necessary, an annual calendar, consistent with the governance cycle; and that includes tasks and events related to the board's multi-year work plan and the items required to accomplish the board's job.

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Policy Num	B.5
Policy Title	Meetings
Policy Review	Annually
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B.5.1 Board meetings shall be held for the purpose of executing the board's jobs and duties.

B.5.1.1 The Board will use board meeting time only for work that is the whole board's responsibility. The Board will avoid committee work, operational matters and personal concerns.

B.5.2 Meetings will be open to all owners except when executive session is officially called.

B.5.2.1 Executive session may be used to deal with confidential matters, as long as the purpose of the session is stated. When possible, announcement of the executive session will be on the published agenda.

B.5.2.2 The board may include or exclude anyone it chooses from executive session.

B.5.3 The Board will seek consensus through discussion and may adopt rules for facilitating discussion as they see fit.

B.5.4 The meeting agenda will be determined by the Board president, and may be modified at the meeting by a majority vote of the board.

B.5.4.1 Directors are responsible for submitting agenda items in advance.

Policy Num	B.6
Policy Title	Process
Policy Review	Annually
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B.6.1 Directors commit to ethical, businesslike and lawful conduct.

B.6.2 Directors are required to sign a Statement of Agreement that includes three sections: Code of Ethics, Code of Conduct, and Conflict of Interest Disclosure.

B.6.3 Every director is responsible at all times for acting in good faith, in a manner which they reasonably believe to be in the best interests of the co-op, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.

B.6.4 Directors must demonstrate accountability to the interests of the co-op's owners that supersedes any conflicting loyalty, such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interest of any director acting as an individual consumer or owner.

B.6.4.1 All Directors have a duty to disclose, in writing, any potential or perceived conflict of interest and must provide all material facts to the Board of Directors. Any subsequent potential conflicts will be reported to the whole board immediately. The board shall determine the process for participation by the Director.

B.6.4.2 There will be no self-dealing or any conduct of private business or personal services between any director and the co-op except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.

B.6.4.3 When the board is to decide on an issue about which a director has an unavoidable conflict of interest, that director shall recuse themselves from the discussion and the vote.

B.6.5 Any director who is also a paid employee has the same duties and responsibilities as any other director, and has the additional duty of clearly segregating staff and board responsibilities.

B.6.5.1 If a director who is also a paid employee becomes subject to disciplinary action as an employee, the board president has the discretion to require that the director take a leave of absence from the board. If the job performance results in termination of employment, the board director will be removed from office.

B.6.5.2 No more than 2 directors shall be on the staff of the co-op.

B.6.6 Directors may not attempt to exercise individual authority over the organization.

B.6.6.1 When interacting with the General Manager (GM) or employees, directors must respectfully recognize their lack of authority.

B.6.6.2 When interacting with the public, the press, or other entities, directors must recognize their lack of authority and the inability of any director to speak for the board except to repeat explicitly stated board decisions.

B.6.7 Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving board service.

B.6.8 Directors will prepare for, attend, and participate fully in all board meetings and trainings.

B.6.9 Directors will support the legitimacy and authority of the board's decision on any matter, irrespective of the director's personal position on the issue.

B.6.10 Any director who does not follow the code of conduct policy shall resign from the board if requested to do so by a $\frac{2}{3}$ majority vote of the remaining board.

B.6.11 Board directors will report their adherence to this policy in each annual report.

Policy Num	B.7
Policy Title	Officers
Policy Review	Annually
Last revised	April 28, 2019
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B.7.1 Officers are elected in order to help accomplish the board’s job and pursuant to Texas law.

B.7.2 No officer has any authority to supervise or direct the General Manager (GM).

B.7.3 Officers may delegate their authority but remain accountable for its use.

B.7.4 The president ensures the board acts consistently with board policies.

B.7.4.1 The president is authorized to make decisions that are consistent with Board Process (B) and Management Process (M) policies in order to facilitate the board’s functioning.

B.7.4.2 The president will chair and set the agenda for board meetings.

B.7.4.3 The president plans for leadership (officer) perpetuation.

B.7.4.4 The president may represent the board to outside parties.

B.7.4.5 The president will select a fellow director to perform duties in their absence.

B.7.5 The treasurer will lead the board’s financial oversight, and process for creating and monitoring the board’s (not the co-op’s) budget.

B.7.5.1 The treasurer will ensure directors are oriented with regard to the finances of the co-op as needed to fulfill their duties.

B.7.5.2 The treasurer will oversee the appointment and activities of the Review Committee as required by the Texas Business Organizations Code (BOC) and ensure that documentation of the process is kept.

B.7.6 The secretary will make sure the board’s documents are accurate, up to date, and appropriately maintained.

B.7.6.1 In addition, the secretary will oversee the co-op Vote process as described in the Procedures for Co-op Votes.

B.7.6.2 The secretary is also the vice president and will take on the duties of the president in addition to their own if the president should resign or otherwise be unable to discharge their duties until such a time as a new president can be selected.

Policy Num	B.8
Policy Title	Committees
Policy Review	Annually
Last revised	April 28, 2019
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B.8.1 The board may form committees as they see fit to help the board accomplish their job.

B.8.2 The Board will establish, regularly review and control committee responsibilities in written committee charters.

B.8.3 The Board will carefully state committee expectations, authority and resources to make sure they do not conflict with authority delegated to the General Manager (GM).

B.8.4 Board committees may include owners who are not members of the board.

B.8.5 Committees will reinforce and support board holism. In particular, committees help the whole board move forward when they research alternatives and bring back options and information.

B.8.6 Board committees may not speak or act for the Board except when formally given such authority for specific and time-limited purposes.

Management Policies

Corner Garage Co-op

Abstract

Management (M) policies describe how the board delegates to the general manager and the duties of the general manager. The board evaluates its compliance with these policies throughout the year.

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Policy Num	M.1
Policy Title	Board Governance
Policy Review	Annually
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M.1.1 The board's sole official connection to the operations of the cooperative will be through the General Manager (GM).

M.1.2 Only decisions of the board acting as a body, or decisions made by delegation of board power as a body, are binding on the GM.

M.1.3 In the case of directors or committees requesting information or assistance without board authorization, the GM may refuse any requests that, in the GM's opinion, may disrupt operations or that require too much staff time or resources.

Policy Num	M.2
Policy Title	Accountability of the General Manager
Policy Review	Annually
Last revised	April 27, 2019
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M.2.1 The board will view General Manager (GM) performance as identical to organizational performance so that the co-op's accomplishment of board-stated ends and avoidance of board-proscribed means will be viewed as successful GM performance.

M.2.2 The board will not instruct or evaluate any employee other than the GM.

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Policy Num	M.3
Policy Title	Delegation
Policy Review	Annually
Last revised	April 27, 2019
Last Reviewed	April 27, 2019

M.3.1 The board delegates authority to the General Manager (GM) through written policies.

M.3.2 As long as the GM uses any reasonable interpretation of the board's Ends and Executive Limitations policies, the GM is authorized to establish all further policies, practices and plans for the cooperative.

M.3.3 The board will respect and support the GM's choices as long as those choices are based on reasonable interpretations of board policies.

M.3.4 If the board changes an Ends or Executive Limitations policy the date for compliance will be stated. Until that date the existing policy will stand.

Executive Limitations

Corner Garage Co-op

Abstract

The Executive Limitations (L) policies delineate job expectations and acceptable constraints within which the general manger can act.

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Policy Num	L.1
Policy Title	Global Executive Constraint
Policy Review	Annually
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L.1.1 The General Manager (GM) shall not cause or allow any practice, activity, decision, or organizational circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practices, or in violation of the Cooperative Principles.

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Policy Num	L.2
Policy Title	Financial Conditions and Activities
Policy Review	Annually
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L.2.1 With respect to the actual, ongoing financial conditions and activities, the General Manager (GM) shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.

L.2.2 The GM will not:

L.2.2.1 Allow sales to decline or be stagnant.

L.2.2.2 Allow operations to generate an inadequate net income.

L.2.2.3 Allow liquidity, or the ability to meet cash needs in a timely and efficient fashion, to be insufficient.

L.2.2.4 Allow solvency, or the relationship of debt to owners' equity, to be insufficient.

L.2.2.5 Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.

L.2.2.6 Acquire, encumber or dispose of real estate.

L.2.2.7 Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

L.2.2.8 Allow late payment of contracts, payroll, loans or other financial obligations.

L.2.2.9 Use restricted funds for any purpose other than that required by the restriction.

L.2.2.10 Allow financial record keeping systems to be inadequate or out of conformity.

L.2.2.11 Allow growth in ownership and owner paid-in equity to be insufficient.

L.2.2.12 Default on any terms that are a part of the co-op's loans.

Policy Num	L.3
Policy Title	Asset Protection
Policy Review	Annually
Last revised	April 27, 2019
Last Reviewed	April 27, 2019

L.3.1 The General Manager (GM) shall not allow:

L.3.1.1 Assets to be unprotected, unreasonably risked, or inadequately maintained.

L.3.1.2 Equipment and facilities to be inadequately insured, or otherwise unable to be replaced if damaged or destroyed, including coverage for any losses incurred due to business interruption.

L.3.1.3 Unnecessary exposure to liability or lack of insurance protection from claims of liability.

L.3.1.4 Inadequate security of premises and property.

L.3.1.5 Data, intellectual property, or files to be unprotected from loss, theft or significant damage.

L.3.1.6 Improper usage of owners' and customers' personal information.

L.3.1.7 Uncontrolled purchasing or purchasing subject to conflicts of interest.

L.3.1.8 Lack of due diligence in contracts.

L.3.1.9 Damage to the Co-op's public image.

L.3.1.10 Allow deposits or investments to be unreasonably risked.

Policy Num	L.4
Policy Title	Ownership Rights and Responsibilities
Policy Review	Annually
Last revised	April 27, 2019
Last Reviewed	April 27, 2019

L.4.1 The General Manager (GM) will not allow owners to be uninformed or misinformed of their rights and responsibilities.

L.4.2 The GM will not create or implement a Owner equity system without the following qualities:

L.4.2.1 The required owner equity and filing fee is determined by the board.

L.4.2.2 Owners are informed that equity investments are at risk. While they are generally refundable, the board retains the right to withhold refunds when necessary to protect the Co-op's financial viability.

L.4.2.3 Equity will not be refunded if such a refund would lead to a net decrease in total owner paid-in equity, or would risk, cause or exacerbate non-compliance with any Financial Condition policy.

L.4.3 The GM will not implement a patronage dividend system that does not:

L.4.3.1 Comply with IRS regulations.

L.4.3.2 Allow the board to examine a range of options and implications, and make a timely determination each year concerning how much, if any, of the co-op's net profit will be allocated and distributed to owners.