



## Community Food Co-op Board of Directors Ethics and Code of Conduct

### P3. Ethics & Code of Conduct

The Board will commit individually and as a body to ethical, respectful conduct, and acting in accordance with the Bylaws.

**P3.1** Directors will conduct Co-op business with honesty, loyalty, a sense of humor, personal integrity, confidentiality, diligence, and in good faith.

**P3.2** No director may make a contract or other agreement with the Co-op providing themselves preferential terms or conditions.

**P3.3** No director may provide more than 25% of their paid professional services to the Co-op.

**P3.4** No director may accept gifts or favors from parties conducting business with the Co-op.

**P3.5** All Board business will be conducted at meetings properly announced and open to the public, unless covered by policies concerning executive sessions.

**P3.6** Directors will maintain regular attendance at Board and Committee meetings and participate in member linkage activities. Board members who are unable to attend a Board meeting or can only attend part of a Board meeting must inform the Board Administrator or Board Chair in advance of the meeting. A lack of such communication will be considered an unexcused absence.

**P3.7** Compensation, if any, of the Board of Directors will be established in good faith by the Board of Directors.

**P3.8** No competitor may serve on the Board of Directors.

**P3.9** Directors must accord undivided loyalty to the interests of Community Food Co-op member-owners as a whole. This duty takes precedence over:

1. Any commitment to a specific cause, interest group, or subset of members;
2. Any obligations arising from membership on another organization's board or from employment as staff (whether at the Co-op or elsewhere);
3. Any personal interests the director may have when acting as an individual consumer or member.

**P3.9.1** Any duality of interest or possible conflict of interest on the part of any governing Board member should be disclosed to the other members of the Board and made a matter of record. This should happen annually and during any discussion where a conflict of interest or duality of interest becomes apparent.



**P3.9.2** When any governing Board member has a duality of interest or possible conflict of interest, they will not participate in the consensus building process. The minutes of the meeting should reflect that a conflict of interest disclosure was made at the time of the discussion.

**P3.9.2.1** Board members who have withdrawn from the consensus building process due to a conflict of interest may state their position on the matter and answer questions posed by others involved in the discussion

**P3.9.2.2** If the Board finds a director to be in violation of any aspect of this code of conduct, it may request the director's resignation, as per Policy P3.12.

**P3.10** Directors may not attempt to exercise individual authority over the organization.

**P3.10.1** When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.

**P3.10.2** When interacting with the public, the press, or other entities, directors must carefully and openly recognize their lack of authority.

**P3.10.3** Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.

**P3.10.4** During a crisis situation, defined by the Co-op's Crisis Communication Plan as "an event that prompts significant, often sustained, news coverage and public scrutiny and has the potential to damage the Co-op's reputation, brand, or financial stability," Board directors will not publicly speak, comment or post on any channel images, video, information, comments or opinions regarding the crisis. Failure to adhere to this policy will result in immediate suspension or removal from the Board, as determined by the Board Chair. In the event the Board Chair is the person who is not adhering to the policy, the Vice Chair and Finance Chair, acting in coordination shall be empowered to act.

**P3.10.5** 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.

**P3.11** Individual Board members will review and commit to the P3 policies annually.

**P3.12** The Board shall maintain a Procedure for Handling Complaints Related to Board Member Conduct, to address concerns brought forward.