



PETOSKEY



BOYNE CITY

BOARD OF DIRECTORS CANDIDATE APPLICATION PACKET 2024

Grain Train
NATURAL FOODS MARKETS

OUR MISSION: MAKING A DIFFERENCE, ONE BITE AT A TIME.

Grain Train

NATURAL FOODS MARKETS

220 E. Mitchell St. • Petoskey, MI 49770 • (231) 347-2381
104 S. Park St. • Boyne City, MI 49712 • (231) 459-4522

www.graintrain.coop

Dear Prospective Board Candidate:

Thank you for expressing interest in serving on the Grain Train Natural Food Cooperative Board of Directors. Each spring, the owners of our cooperative elect Board Members who are hardworking, skilled, and dedicated to the needs of the Co-op; people with the desire and enthusiasm to provide leadership for our valuable community Cooperative. This year, there are three (3) seats available for new or returning board members.

This packet was designed to serve as a basic introduction to the cooperative business model and the Board's policy governance model. It lists the Board's "End Statement" as well as describing the more detailed "Focused Ends." Please check the Grain Train website for access to By-Laws and the Board's Policy Register for additional information.

Finally, it lists the steps for submitting a Board candidate application, along with the application form. An "Addendum" contains the Board Code of Conduct and Ethics Statement that is signed yearly by all Directors on the Board.

Thanks again for your willingness to serve cooperatively.

Sincerely,
The Board of Directors

Joe Graham, *President*
Kathryn Hartlieb, *Vice-President*
Erik Hagstrom, *Treasurer*
Lindsay Hall, *Secretary*
Greg Fuller, *Director*
George Robson, *Director*
Amanda Weinert, *Director*
Paula Welmers, *Director*
Hal Willens, *Director*

ABOUT THE GRAIN TRAIN NATURAL FOODS MARKETS – PETOSKEY & BOYNE CITY –

The Grain Train, a natural foods cooperative, was created in 1971. For over 50 years, it has been a thriving neighborhood store offering the best in local and organic foods and products. We've grown and flourished thanks to you, our loyal customers and owners who have supported their local store for four decades. In 2012 we opened our second location, Grain Train Neighborhood Market in Boyne City. Over the years our growth increased ownership to almost 3,000 households and sales to over \$7,500,000.

Everyone is welcome at the Grain Train Natural Foods Markets. In retail terms, the Grain Train is the third largest grocery cooperative in Michigan. Its sales volume places it among medium sized co-ops, according to National Cooperative Grocers (NCG.) Grain Train employees work tirelessly to find inventive ways for accommodating shoppers' preferences and products while maintaining the feel of a friendly neighborhood grocery store.

Though the Grain Train is a for-profit cooperative, it has values in common with non-profit organizations. A cooperative generates some of its capital by selling ownerships, which confer ownership and equity to purchasers. These owners have the power to direct the cooperative through democratic processes like board of directors elections and annual meeting attendance.

A director represents our owners, acting as liaisons and offering strategic leadership. They also supervise the general manager in accordance with policy governance. In addition, directors look to the future of the co-op by creating long term goals.

ENDS STATEMENT

The "Ends Statement" defines the Grain Train's purpose, or reason for existence.

"Grain Train Natural Food Cooperative exists so that our community is inspired to make well-informed healthy choices that support both people and planet."

The Focused Ends enable the Board to focus on specific strategies:

- **Food and Wellness:** The Grain Train exists so that a wide range of customers have access to healthy food, and wellness products.
- **Model Workplace:** The Grain Train exists so that employees have a safe, respectful, professional, and profitable environment in which to work.
- **Customer Experience:** The Grain Train exists so that all customers can experience a positive shopping environment.
- **Community Education:** The Grain Train exists so that the local community has the resources to live a healthy and sustainable lifestyle.
- **Owner Engagement:** The Grain Train exists to serve a robust community of owners who provide stability, growth, and fuel the success of the organization.
- **Environmental Stewardship:** The Grain Train exists so that responsible environmental stewardship is practiced.
- **Local Economy:** The Grain Train exists to contribute to a vibrant local economy.
- **Community Leader:** The Grain Train exists to be a community leader that embodies responsible business practices with a focus on long-term success.
- **Diversity, Equality, Inclusion:** The Grain Train exists to foster equity and respect among diverse local populations.

ABOUT COOPERATIVES AND POLICY GOVERNANCE

7 COOPERATIVE PRINCIPLES

The cooperative principles are international guidelines by which cooperatives put their values into practice.

1. **Voluntary & Open Membership** - Cooperatives 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** - Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions.
3. **Member Economic Participation** - Members contribute equitably to, and democratically control, the capital of their cooperative.
4. **Autonomy & Independence** - Cooperatives are autonomous, self-help organizations controlled by their members.
5. **Education, Training, & Information** - Cooperatives provide education and training for their members, elected representatives, managers, and employees, and they inform the general public about the nature and benefits of cooperation.
6. **Cooperation Among Cooperatives** - Cooperatives serve their members most effectively, and strengthen the cooperative movement, by working together through local, national, regional, and international structures.
7. **Concern For Community** - While focusing on members' needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

WHAT IS POLICY GOVERNANCE?

Policy Governance, an operational model developed by John Carver in the 1970s, has been adopted by the board to ensure that the Grain Train serves its owners as it should. In practice, policy governance works by means of a few basic principles:

- The board speaks only through policy. Whatever the board wants accomplished or wants to prohibit is written as policy.
- The board delegates authority for the operation of the co-op to the general manager.
- The board does not make decisions about the day to day operations of the co-op.
- The board speaks only as a whole.
- The board monitors its own operation and the operation of the general manager through monitoring reports based on its policies.

WHAT IS THE EXPECTED COMMITMENT FROM A DIRECTOR ON THE BOARD?

Please read carefully and thoughtfully—

- Own a share in the Co-op and be current on Equity payments.
- Shop regularly at the Co-op.
- Be prepared for meetings, including reading--carefully and thoughtfully--the meeting packet in advance of every Board meeting.
- Attend all monthly meetings, held in-person as well as virtual.
- Take on leadership roles and consistently and actively serve on committees; this may require 4-6 hours per month in addition to the monthly 2-hour regular board meeting. Special projects may require more time commitment.
- Actively participate in Board discussion via text, e-mail or phone between meetings as necessary.
- Attend the Board Orientation (this is mandatory!) as well annual Board Retreats.
- Attend the annual General Owner Meeting and other Owner gatherings as they are scheduled.
- Actively participate in the annual election, which may include spending time in the store or other get-out-the-vote activities, to remind Owners to vote.
- Act in a professional manner, and maintain confidentiality to protect the coop's interests and financial viability. This can include issues related to personnel, real estate, market strategy and goals, pending litigation, and details of the co-op's financial status.
- Avoid conflict of interest with respect to the Board's fiduciary responsibility.

HOW WILL I BENEFIT AS A DIRECTOR?

Serving on the Board provides the satisfaction of being part of a growing organization that serves the community with healthy products and education. You will have a voice in shaping the future of the co-op while working with a group of people who share a commitment to a democratic process and a sustainable local economy. Additionally, Directors receive a 20% discount at the stores.

CANDIDATE APPLICATION SUMMARY

1. Recommend attending at least one regular meeting of the Board of Directors which are typically held on the third Tuesday of each month from 5:30-7:30 PM.
Location: Grain Train Administrative Office, 2nd floor, 316 E. Mitchell Street, Petoskey
2. Agree to abide by the Director's Code of Ethics and Code of Conduct (see the Addendum section of this packet), if elected to serve on the Board.
3. File a Board Candidate Application (in this packet or online) detailing your attributes and interest in serving on the Board. Previous board experience is helpful. Submit your completed application by either:
 - a. (Preferred) Submitting the application form online at:
forms.office.com/r/J6NDaYtKsn or via the QR Code below
 - b. Emailing your completed application to the Board of Directors at board@graintrain.coop
 - c. Bring your completed application to the Administrative Office
4. Provide a required, small (approximately 2 x 1.5") portrait photo headshot (without hat) for inclusion on the Grain Train website to accompany the biographic information provided within your Board Candidate Application. This photograph, along with your answers to the essay questions, will be published in the Co-op newsletter and posted on-line.
5. Deadline for submission of application is midnight on Sunday, March 24, 2024



GRAIN TRAIN BOARD CANDIDATE APPLICATION

Any Grain Train Owner in good standing is eligible to run for a seat on the Board of Directors. Please fill out this application form so that your information may be included in Grain Train media communications. This application gives voters information about your background and expertise. These answers will be your way of communicating with other Grain Train Owners as to why you should be a Board member.

- *Due to a limitation of printed space, **try to be succinct** with your responses.*
- *Please include a close-up photograph of your smiling face for inclusion in the newsletter.*

Name _____

Address _____

Phone # _____ E-mail _____

Education _____

1. Why do you want to serve on the Board of Directors of Grain Train Co-op?

2. What are you passionate about? How could we see that passion in action in your day-to-day life?

3. Describe an experience where you worked on a team. What did you offer the team?
How did you compromise for the team's benefit?

4. Do you have other experiences that you see as being related to the work of the Board?

5. Is there anything else you'd like to tell us?

ADDENDUM

DIRECTORS' CODE OF CONDUCT

From the Grain Train Board of Directors' Policy Register – Policy C5

We each commit ourselves to ethical, professional and lawful conduct, proper use of authority and appropriate decorum when acting as a director, and avoidance of any conflict of interest with respect to our fiduciary duties as a director of the Cooperative.

1. 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 Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
2. Directors must demonstrate non-conflicted loyalty with respect to the interests of the Cooperative's owners. This accountability 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 member-owner.
 - a. There will be no self-dealing or any conduct of private business or personal services between any director and the Cooperative except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
 - b. Directors shall declare any potential conflict of interest to the Board and answer any relevant questions pertaining to the potential conflict of interest proffered by the Board, as necessary, for the Board to make an informed decision with respect to the potential conflict of interest. Directors must maintain themselves as a credible source of objective feedback and an articulate advocate for their members.
 - c. At a new director's first Board Meeting, and on an annual basis going forward, the director will complete the "Code of Conduct Form" and shall report to the full Board any and all personal, business, financial or other potential conflicts of interest. During each year, following completion of the annual Code of Conduct Form, each director is required to immediately report any subsequent potential conflict(s) of interest that may arise during that year to the full Board. Any decisions regarding potential conflicts of interest shall be made in consideration of the Cooperative's By-Laws 5.1 and 5.4.
 - d. When the Board decides on any potential conflict of interest issue, the director with the potential conflict of interest shall abstain from the discussion of and shall not participate in the Board vote pertaining to the conflict of interest.
 - e. A director who applies for employment must first resign from the Board.
3. Directors may not attempt to exercise individual authority over the organization.
 - a. When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.
 - b. When interacting with the public, the press, or other entities, directors must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.

4. Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
5. Directors will prepare for and are expected to attend and participate fully in all Board meetings and trainings, and shall seek to learn more about the Cooperative, its operations, and the responsibilities as a director by pursuing educational opportunities.
 - a. Missing three or more regular (excluding emergency and special meetings) Board meetings, during the course of one year, is cause for removal of a director prior to the expiration of their term. Directors who are unable to be present at a board meeting are encouraged to attend electronically and will be counted in attendance. Board members who are unable to attend a meeting either in person or electronically, are encouraged to provide the secretary with written comments on agenda items before the meeting takes place.
6. Directors are expected to make a consistent time commitment to Board work beyond monthly meetings. Directors typically average four to six hours of work per month in addition to the monthly two-hour board meeting. Participation on standing and ad hoc committees, as well as being an officer, is expected, and often requires additional time commitments.
 - a. Directors shall serve on and actively participate in at least two committees or chair one committee. Active participation may include attending meetings, responding to electronic communications, reading minutes, providing comments on discussion topics via email if unable to attend a meeting, taking on work tasks, scheduling and organizing meetings, and presenting to the Board.
 - b. The board does much of its work through electronic communication between meetings. Directors are expected to check their email at least every 4 days and respond as needed.
7. Directors shall treat all other directors with respect and consideration and exhibit the spirit of cooperation that is due between professional colleagues.
8. 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.
 - a. Directors may not always agree with one another but after discussion and debate, will honor and communicate a unified "with one voice" decision to not only staff and owners, but to the community.
9. Any director who does not follow the code of conduct policy can be removed from the Board by a $\frac{3}{4}$ majority vote of the remaining Board, in accordance with By-Law 5.4.

GRAIN TRAIN CODE OF CONDUCT FORM – BOARD OF DIRECTORS ANNUAL DISCLOSURE REGARDING POTENTIAL CONFLICT(S) OF INTEREST

I, _____ (Print Name) have read the Grain Train C-5 Directors' Code of Conduct (the "Code of Conduct") and the Grain Train Cooperative By-Laws 5.1 and 5.4 (the "Related By-Laws"). I understand that, as a member of the Grain Train Board of Directors, on or prior to my first Board of Director's meeting, and thereafter on an annual basis, I am required to complete this Grain Train Code of Conduct Form - Board of Directors Annual Disclosure Regarding Potential Conflict(s) of Interest (the "Code of Conduct Form") and to report to the full Board any and all personal, business, financial or other potential conflict(s) of interest, as described more fully in the Code of Conduct and Related By-Laws. I further understand that, during each year, following my completion of the annual Code of Conduct Agreement, I am also required to immediately report any subsequent potential conflict(s) of interest that may arise during that year to the full Board.

Please describe below the particular facts and circumstances related to any potential personal, business, financial or other conflict(s) of interest:

My signature below indicates my agreement to the representations above.

Director Signature

Date