



**FOOD CO-OP
INITIATIVE**

New co-ops start here.

Community-Based Grocery Governance

Chris Dilley | Food Co-op Initiative | NRGs 2026

Who Am I?



Chris Dilley

FCI Director of Startup Support



28 years in cooperative grocery

5 yrs Board Service; 22 yrs Retail Operations Mgmt at PFC Kzoo, Detroit PFC, Gem City Market, and others



One Year at FCI

Supporting over 100 co-op grocery efforts across US



Father, Husband

Reader, Lover of Jazz, Cook, Bike Commuter, Board Gamer



What is Food Co-op Initiative?

A small national non-profit supporting the development of community-owned grocery operations.

20 years | Staff of 3 | 190+ co-ops

The Goals of Today's Session:



Wild Onion Market
Rogers Park, Chicago, IL



Understand the Role of Governance in
community grocery



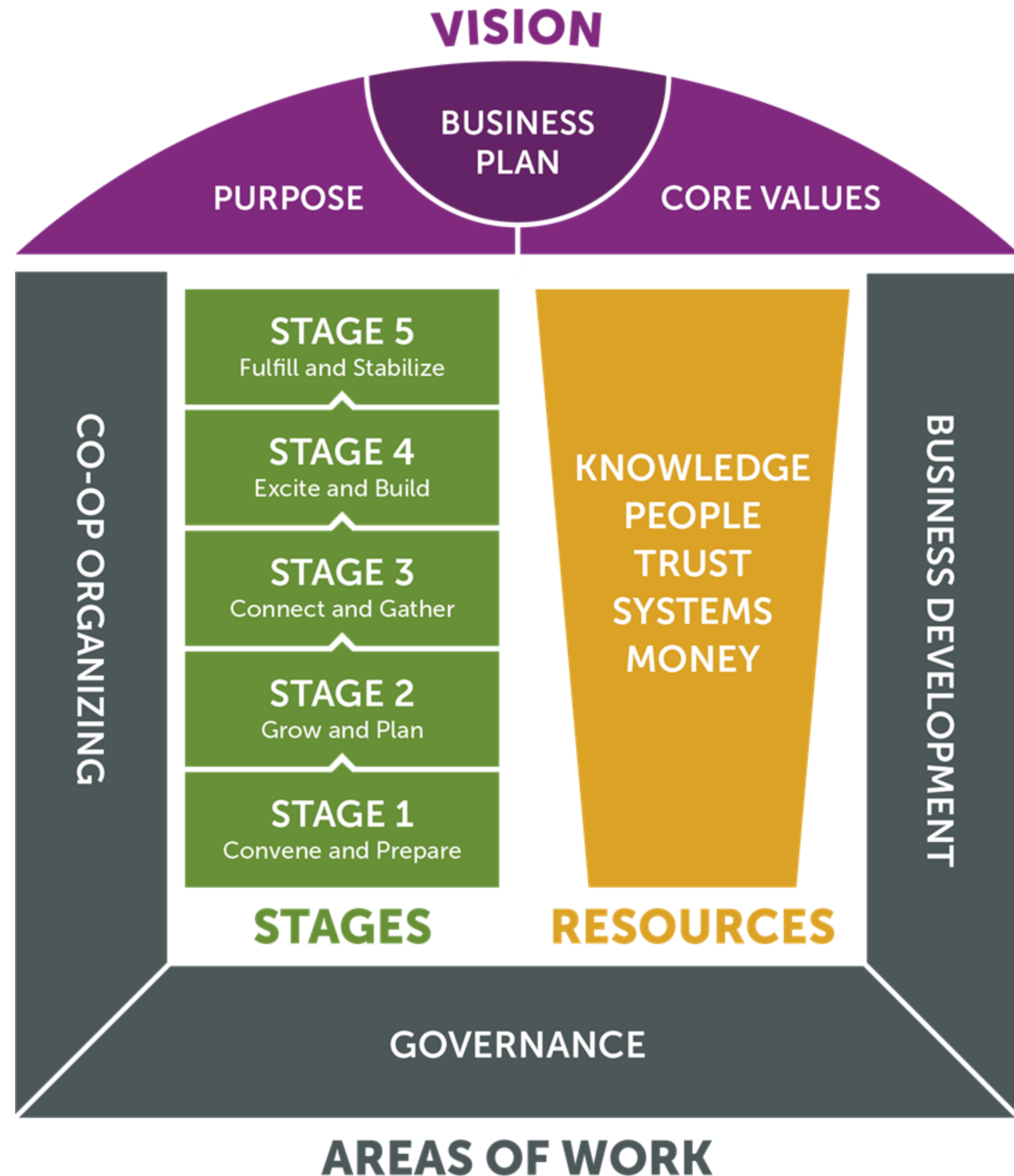
Brief introduction to the Policy Governance
system

the FCI Framework

Universal best practices that speak to the needs of any startup co-op aiming for success

Four Parts:

1. Vision
2. Resources
3. Areas of Work
4. Stages



The Areas of Work:

CO-OP ORGANIZING

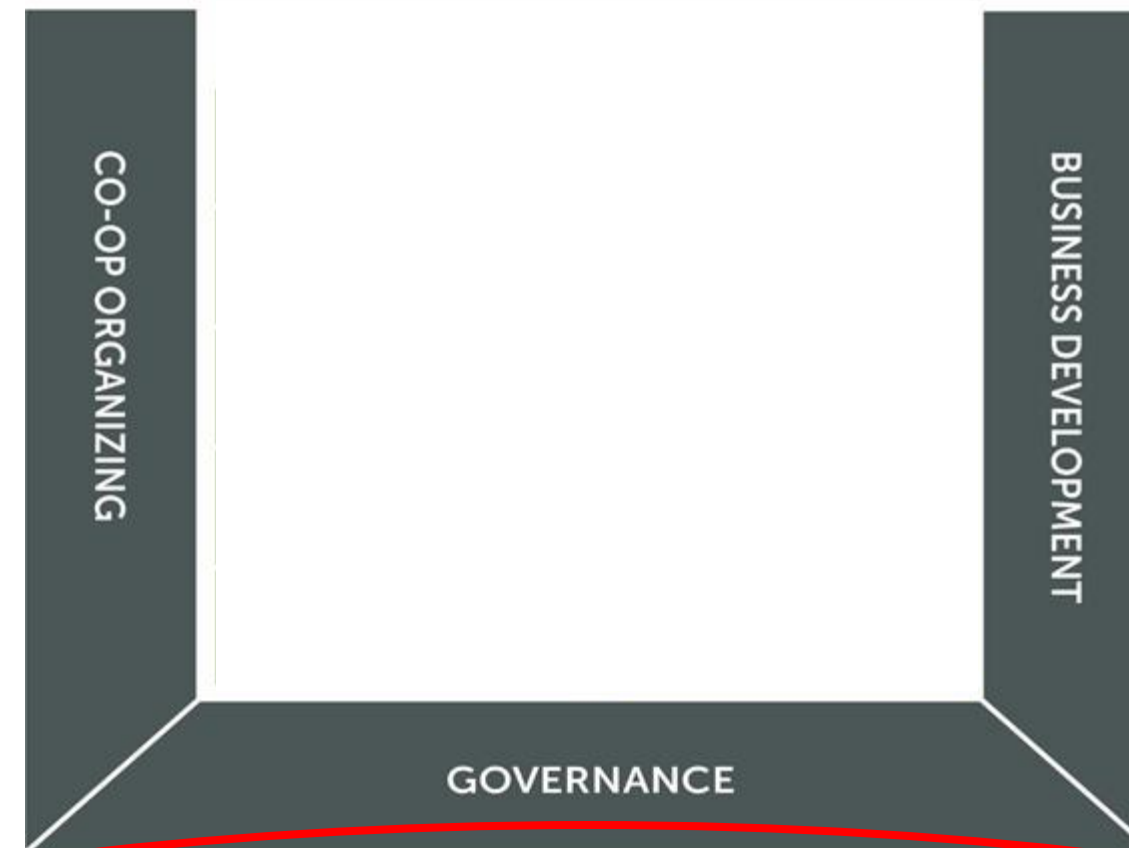
The **Areas of Work** are what needs to be done to move through each of the Stages, utilizing the Resources, led by your co-ops' Vision

All three **Areas of Work** are part of all five stages of organizing. Your co-op's board is responsible for moving all three areas of work forward effectively.

BUSINESS DEVELOPMENT

GOVERNANCE

Areas of Work



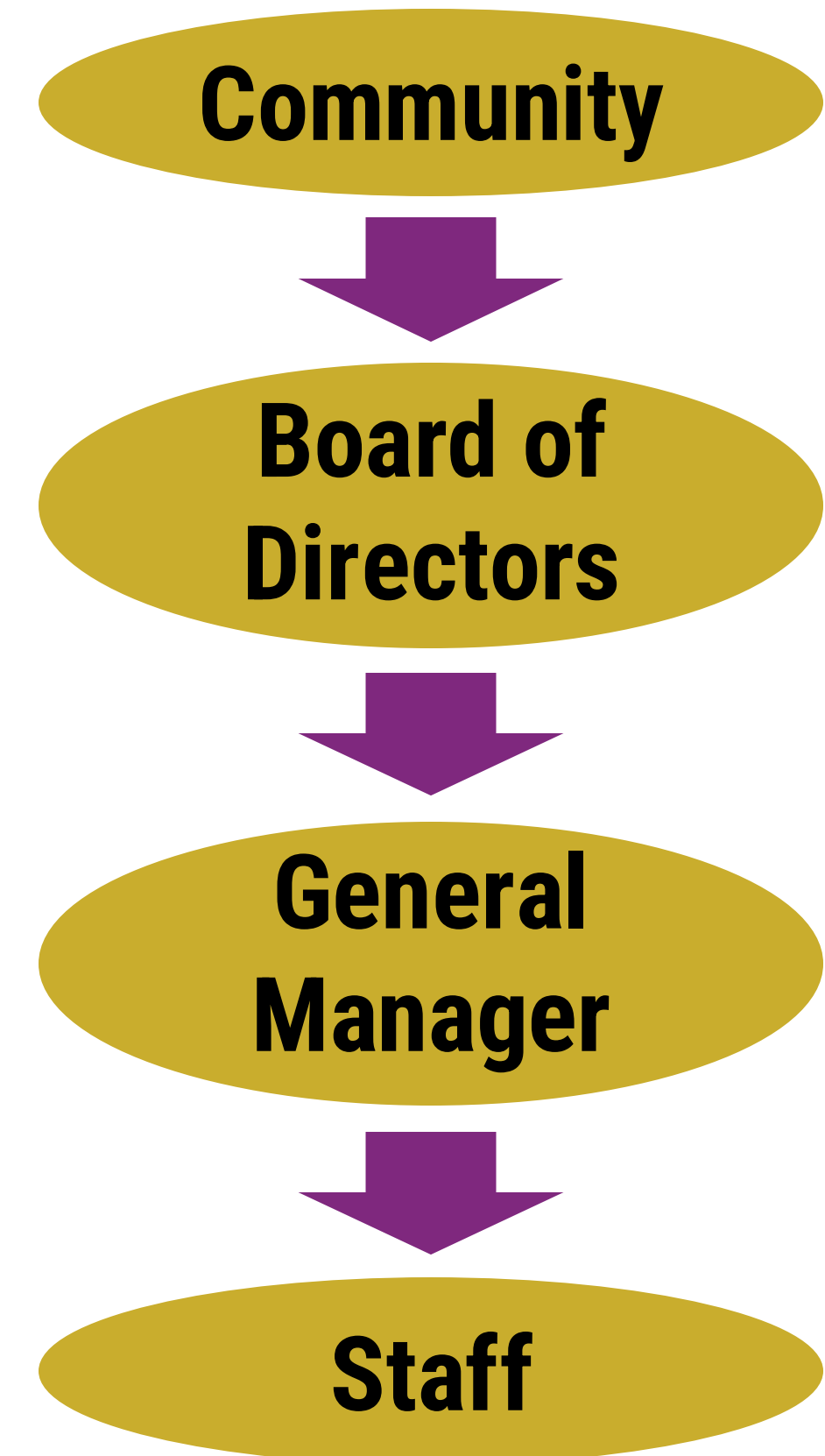
Governance:

The utilization of the owners' power to lead the org to meet its **Vision**

- providing oversight of all parts of the co-op's development
- accountability for the co-op's resources and results to the owners
- Hearing and advocating for the Vision of the owners

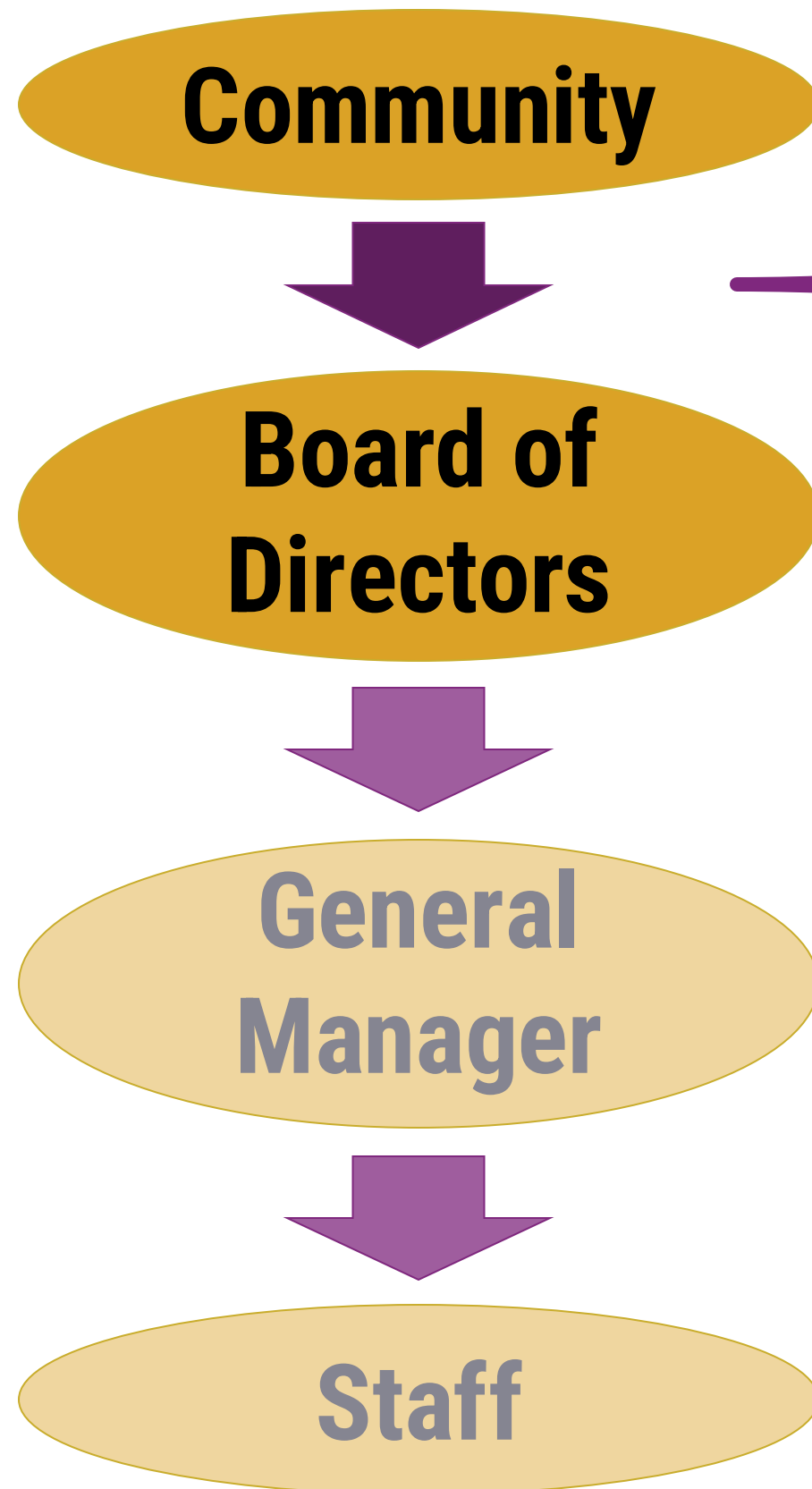
The Role of Governance:

To ensure
the *Power* and
Resources invested
by the *community*
into the organization
are used to *serve*
their Vision



The Role of Governance:

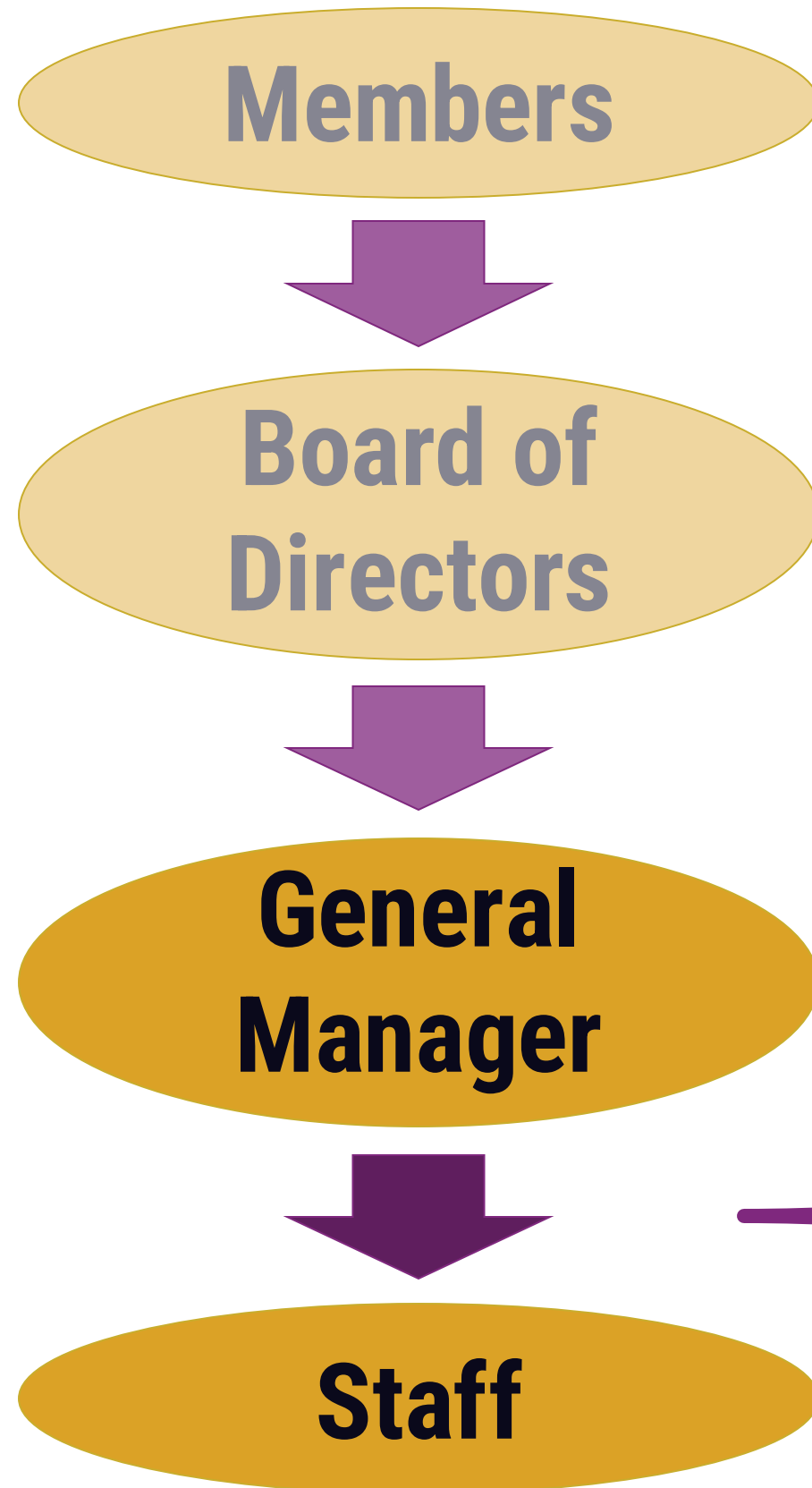
Whereas...



Articles of Incorporation
and Bylaws provide structure
& accountability here...

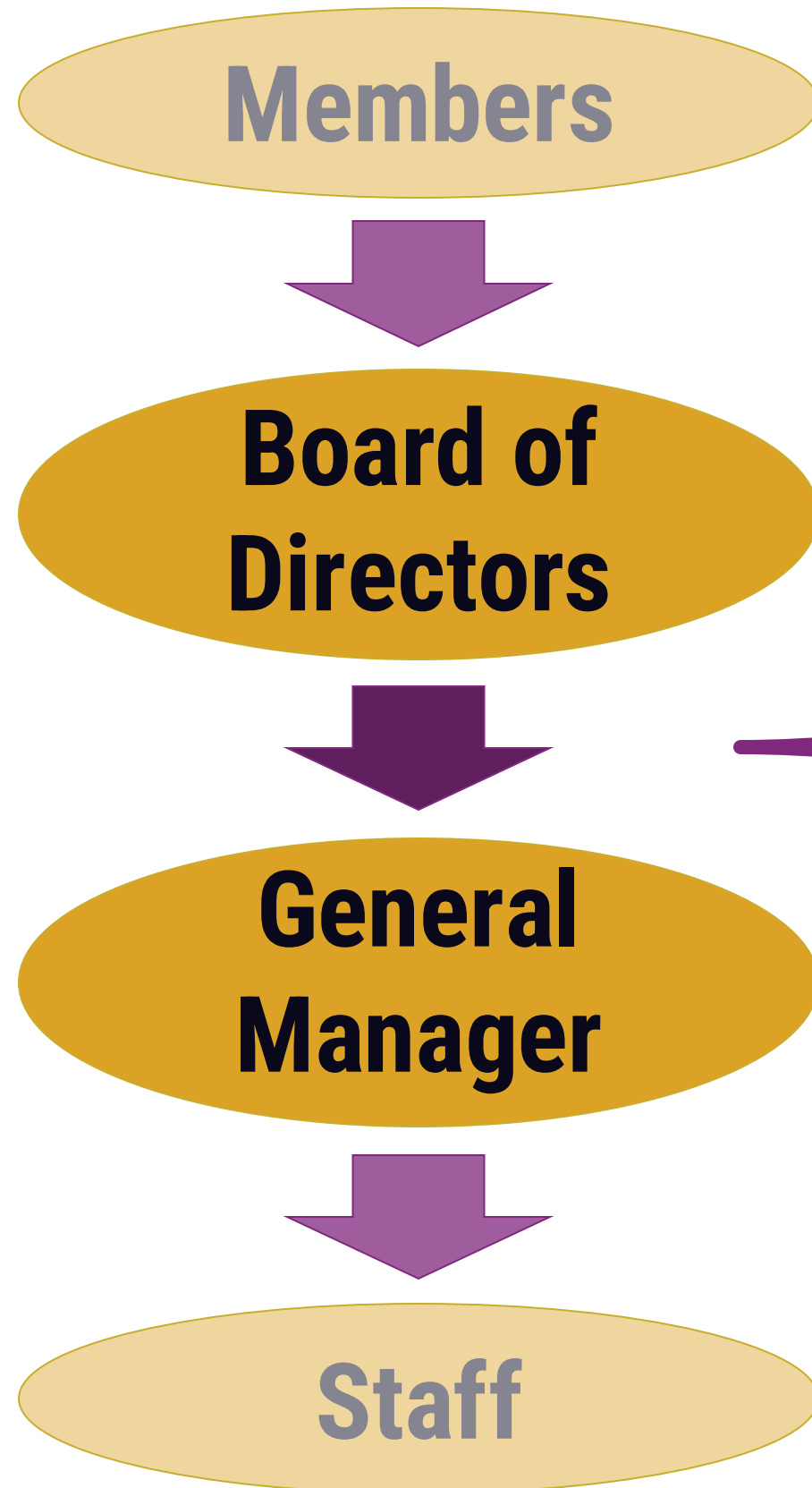
And...

The Role of Governance:



HR Systems, Labor Law, and Wage & Hour Laws provide structure & accountability

The Role of Governance:



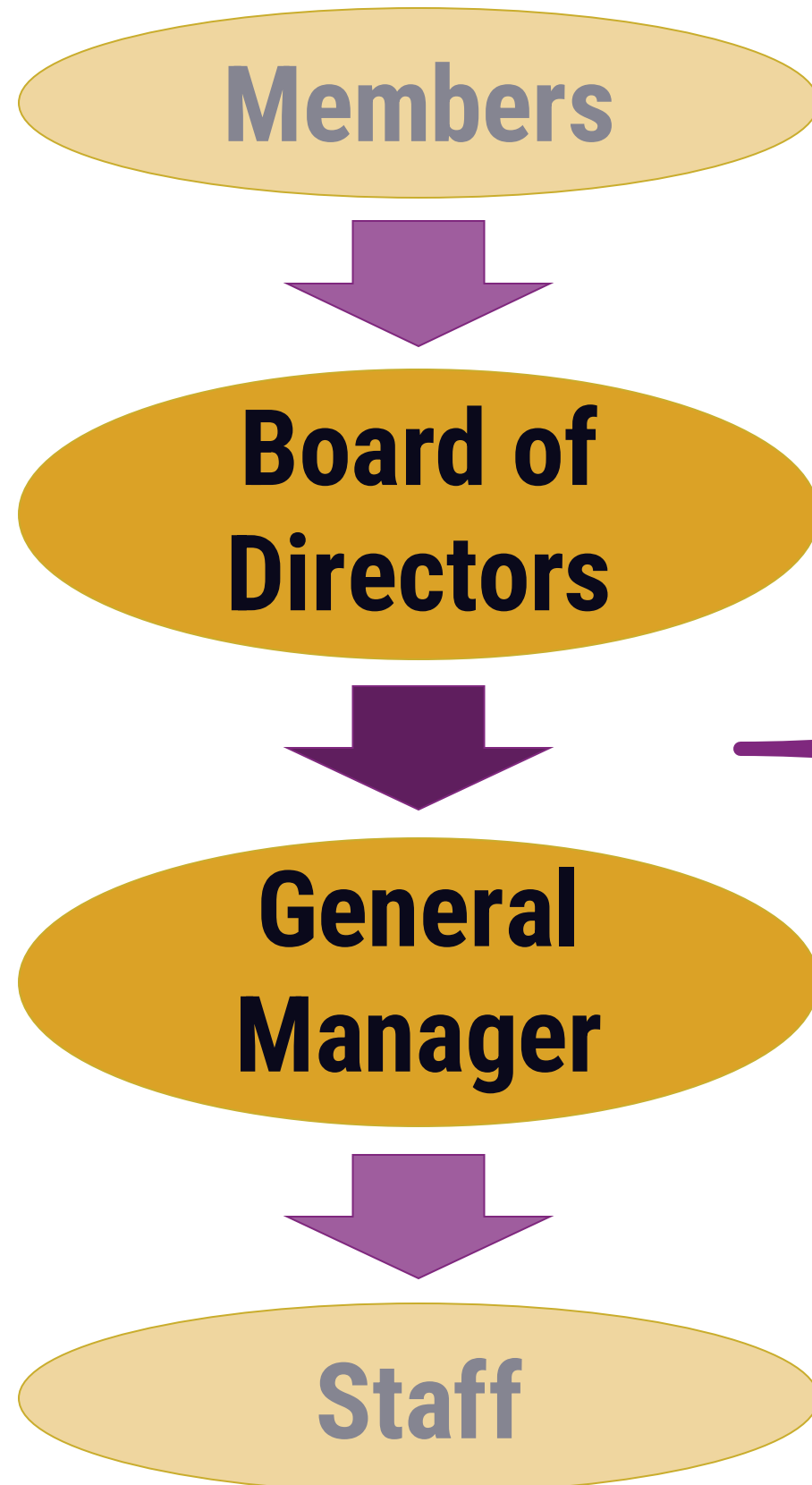
Governance Systems must be developed here to support structure & accountability:

- **Organizing of Work**
- **Decision-Making**
- **Delegation and Accountability**



**a board of community members
with limited-to-no grocery
industry knowledge
will need to manage
a seasoned grocery
professional**

The Role of Governance:



Okay, back to these three things:

- **Organizing of Board Work**
- **Group Decision-Making**
- **Delegation and Accountability**

Organizing the Work

- 1. Know what you need to do**
- 2. Develop, document, and utilize systems
to structure the work**

Questions for the Steering Committee/Board

What are you trying to accomplish?

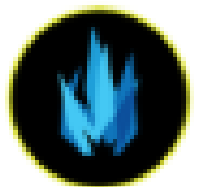
Who is doing the work?

How will you get it done?

How will you know it's being done?

How long will you do this work?

Who are you accountable to and how will you keep them informed?



with appreciation to Firebrand Cooperative!

Documents to Support the Work of the Steering Committee/Board

Working Agreement (Steering Committee)

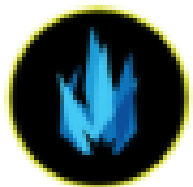
Bylaws (in accordance with federal and state law)

Board/Steering Committee Policies

Sub-Committee Charter

Annual Calendar and Monitoring Schedule

Conflict of Interest Forms and Process



Decision-Making

How will we make decisions?

1. Autocracy - One Decider
2. Majority Rule - Everyone Has a Vote
3. Consensus/Consent - Seek Alignment



Delegation & Accountability

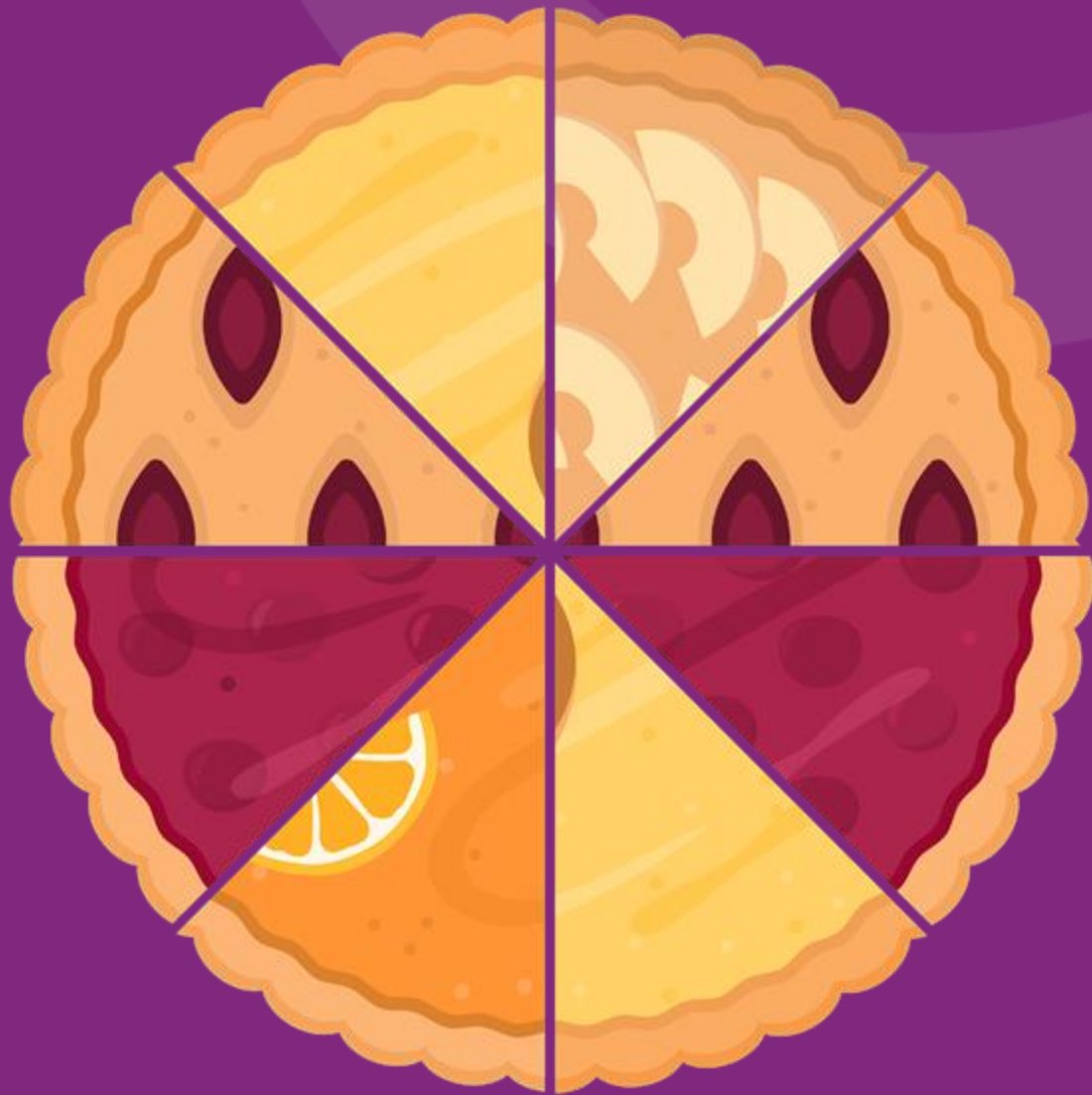
To empower others to accomplish work on behalf of the co-op through:

1. Setting clear areas of responsibility
2. Creating shared expectations
3. Refraining from micro-managing
4. AND Providing meaningful oversight



Step 1

Identify *what* to delegate:



1. The board reviews what needs to be accomplished in all three areas of work in the next year.
2. Where does the co-op lack the *TALENT* (expertise and/or capacity) to execute the work?

An illustration on a purple background showing several black silhouettes of hands reaching towards a central pie. The pie is divided into six slices of different colors: yellow, orange, red, and purple. The hands are positioned around the pie, some pointing towards it, suggesting a collaborative or shared effort.

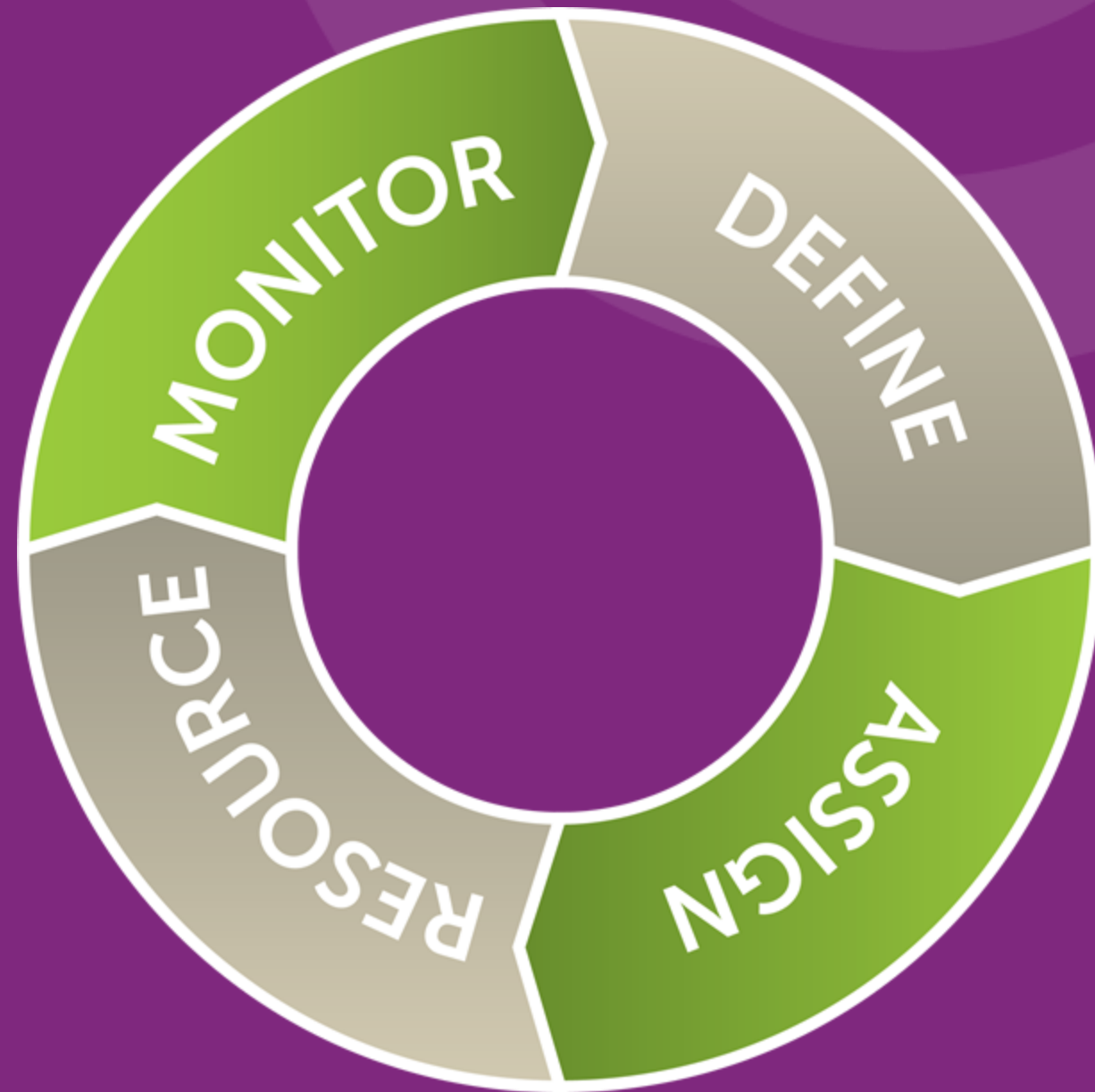
Step 2

Identify *who* to delegate to:

1. Board-only committee
2. Committee
3. Task team (ad hoc committee)
4. Staff
5. Consultants

Step 3

Create an accountability loop:



1. **Define** — charter, job description, contract (SYSTEMS)
2. **Assign** — tasks, current expectations
3. **Resource** — budget, training, tools (CAPITAL, TALENT)
4. **Monitor** — how the ones delegated to will report, on what, how often (SYSTEMS)

DELEGATION

VS

ABDICATION

takes
work

doesn't



Delegation without an *accountability loop* is abdication.

Abdication weakens the board and the co-op.

Policy Governance Basics: Goal

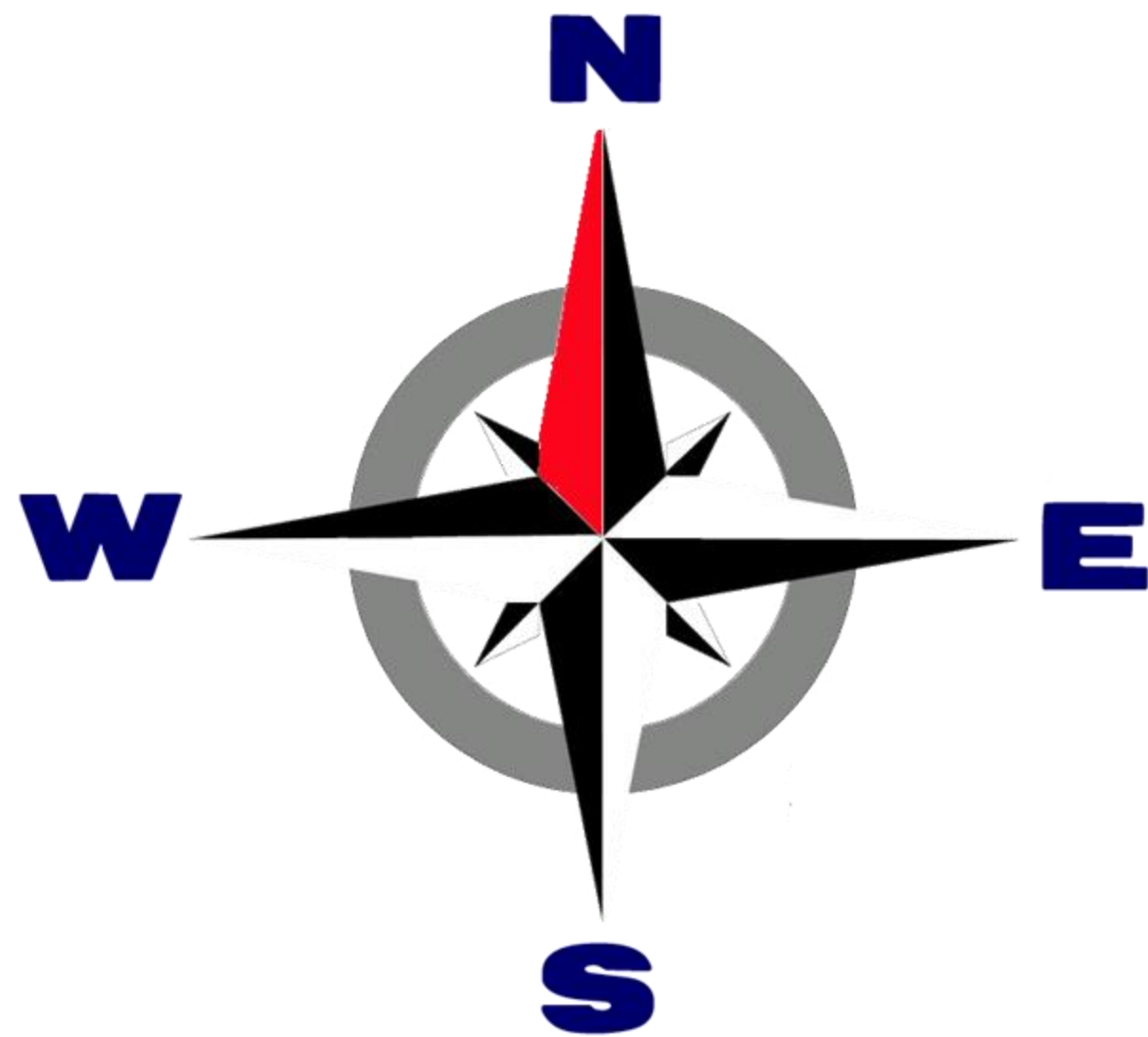


Accountable Empowerment

1. **Define** — Policies clarify what's expected
2. **Assign** — Clarify roles
3. **Monitor** — Report, on what, how often

Credit for the following imagery and understanding conveyed goes to Columinate's Co-op Board Leadership Development program

Policy Governance Basics: Policies



4 Types of Policies

1. **Ends** – Global statement of the difference the organization will make
2. **Executive Limitations**
3. **Board Responsibilities**
4. **Board/GM Relationship**

Policy Governance Basics: Policies, by type

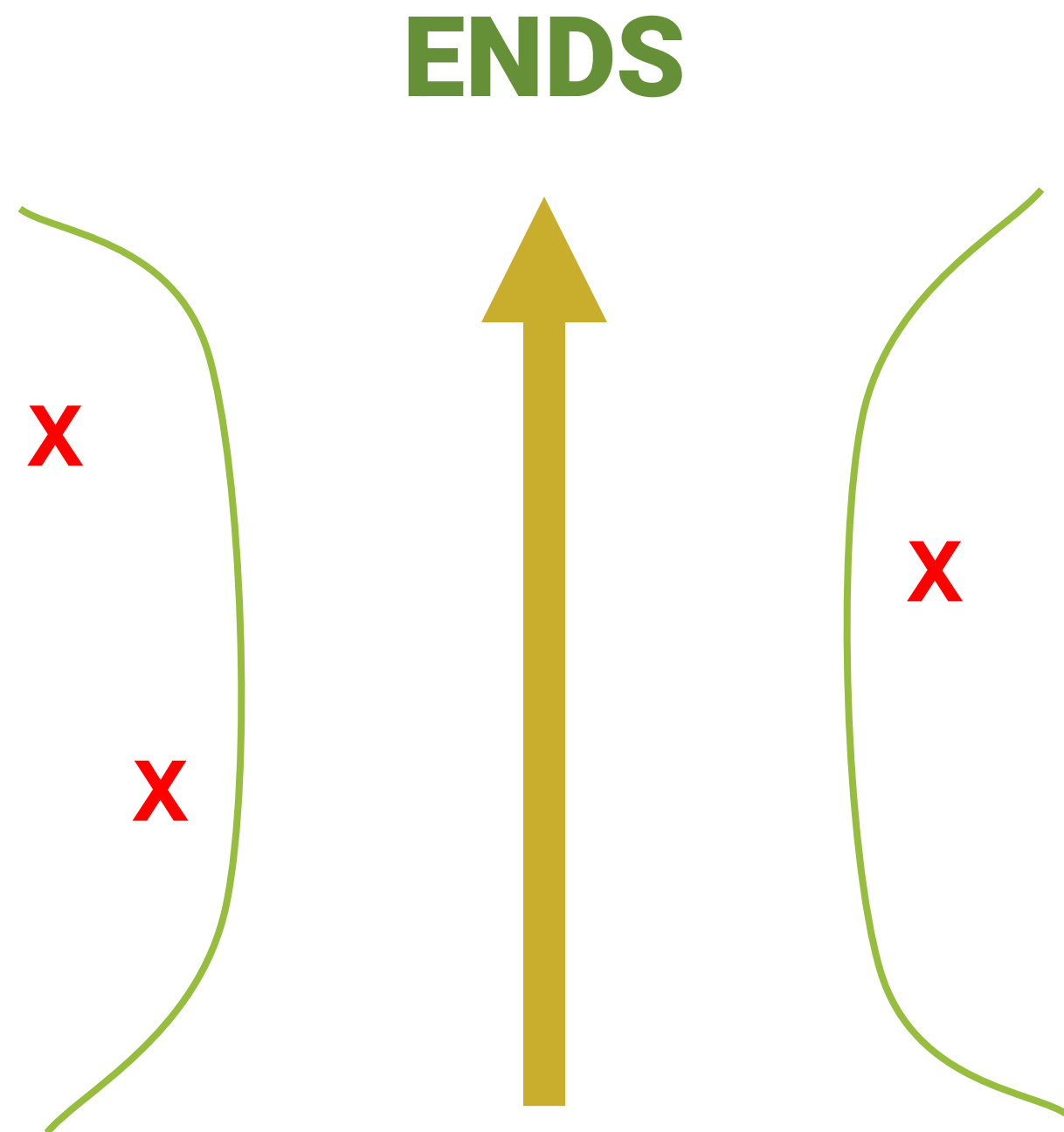


PFC

Ends

1. **The difference we make in the world and for whom.**
2. **Example (PFC Kalamazoo, MI):**
PFC exists to build and nourish an equitable, resilient community.

Policy Governance Basics: Policies



Executive Constraints

1. Limits on what management can do to achieve the Ends
2. Examples:
 - Staff Treatment
 - Financial Conditions and Activities
 - Asset Protection

Policy Governance Basics: Policies, by type



Board Process

1. The Board's commitments to each other and to the organization
2. Examples:
 - The Board's Job
 - Agenda Planning
 - Code of Conduct

Policy Governance Basics: Policies, by type

Board-Management Relationship

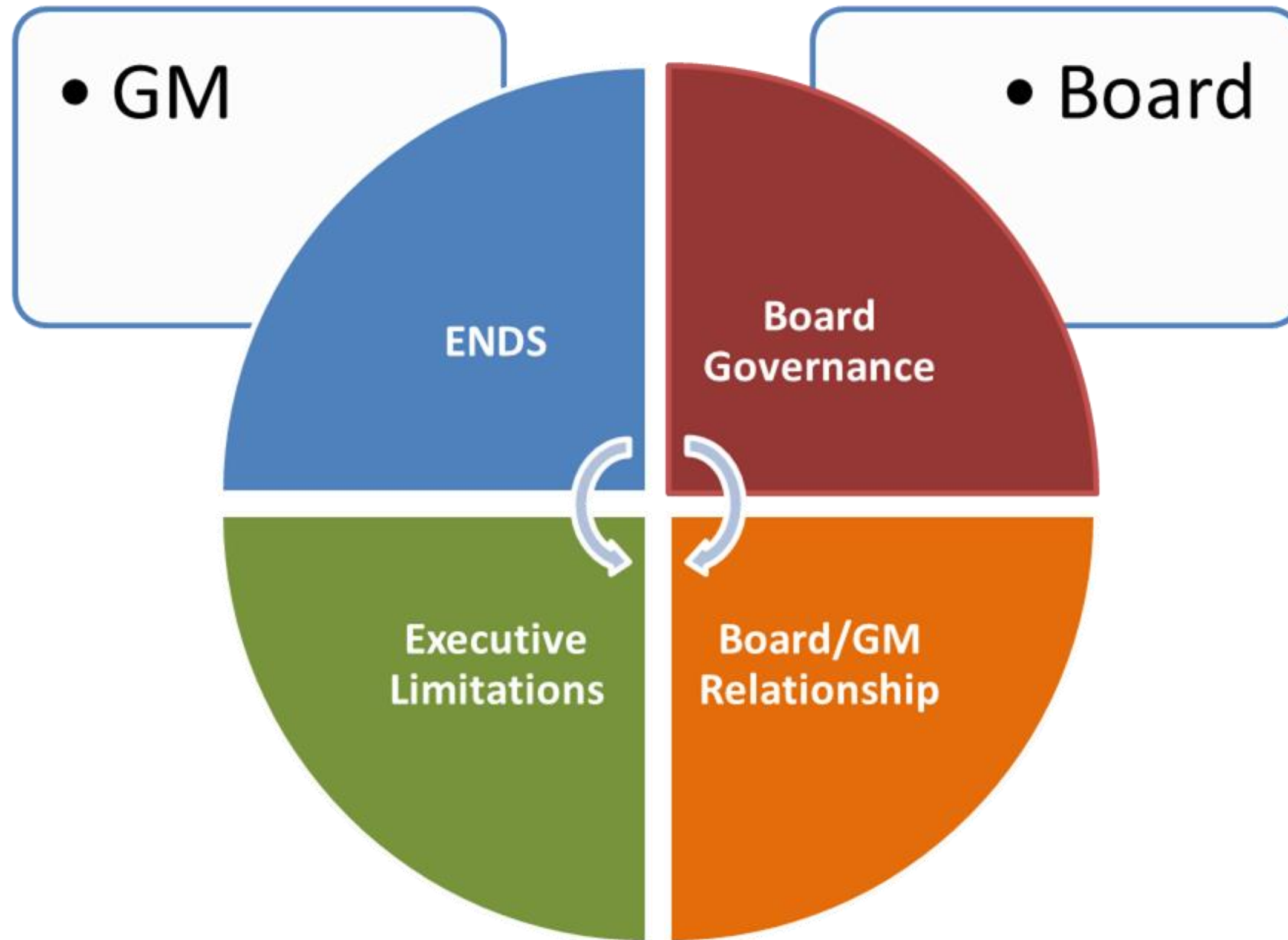
1. The structured ways the board will engage with management

2. Examples:

- **Unity of Control**
- **Delegation to Management**
- **Evaluating Management**



Policy Governance Basics: Policy Monitoring



Policy Governance Basics: Policy Monitoring

Fundamentals of Monitoring



Parts of Monitoring Reports:

- **Policy** - current iteration of the policy
- **Interpretation** - Manager's description of what they interpret it to mean
- **Data** - objective proof of current condition
- **Conclusion** - in compliance or not?

On A Schedule:

- **Mostly Annual**
- **Some quarterly** (financials, for example)

Policy Governance Basics: Policy Monitoring

Ends

A – Ends

Executive Limitations

B – Global Executive Constraint

B1 – Financial Condition

B2 – Planning and Budgeting

B3 – Asset Protection

B4 – Membership Rights and Responsibilities

B5 – Treatment of Consumers

B6 – Staff Treatment and Compensation

B7 – Communication to the Board

B8 – Board Logistical Support

B9 – GM Succession

Board Process

C – Global Governance Commitment

C1 – Governing Style

C2 – The Board's Job

C3 – Agenda Planning

C4 – Board Meetings

C5 – Directors' Code of Conduct

C6 – Officers' Roles

C7 – Board Committee Principles

C8 – Governance Investment

Board- Management Relationship

D – Global Board-Management Connection

D1 - Unity of Control

D2 – Accountability of the GM

D3 – Delegation to the GM

D4 – Monitoring GM Performance



CBLD

POLICY REGISTER TEMPLATE

REVISION: NOVEMBER 2021

Note: While we are presenting something here that we believe is useful "as is," each group is responsible for making your own decisions about the policies that will be useful for your co-op. Use this template not as an absolute directive, but as a starting place for your own conversation.

Policy Governance Basics: Policy Monitoring



Month	Ends/Executive Limitations (monitored by Co-Executive Directors)	Board Process/Board-Management Relationship (monitored by Board of Directors)	Reminders
May	Ends	C & C1	
June	B1	C2	
July	B2	C3 & C4	Financial scorecard; Review Co-ED compensation; Discuss board training budget; Fundraise for ROAR
August	B3	C5	Co-ED performance evaluation (every other year) by August 15; Fundraise for ROAR
September	B4	C6	Approve annual budget

Simple monthly calendar:

- GM reports
- Board self-reporting
- Any other reminders

Policy Governance Basics: Policy Monitoring



Start Time	Topic	Leader	Action	Reports
5:00 PM	Check in	All	Participate	
5:15 PM	Agenda review & approve March minutes	Co-chairs	Participate and approve	Minutes https://3.
5:20 PM	Executive Limitations Monitoring: Ends	Co-EDs	Prior review, discussion, approve	Ends
5:25 PM	Board Process Monitoring: C & C1	Co-chairs	Prior review, discussion, approve	Board P https://dc
5:30 PM	Financial Committee	Dr. Ola Smith (Chair) & Committee	Listen and Discuss	Updates
5:50 PM	2026 Training & Retreat	All	Participate	1) Social

Simple agenda:

- assign times
- topic
- tie back to policies wherever appropriate
- assign lead
- be clear about needed outcomes
- link reports

Policy Governance Basics: Policy Monitoring

Month:

Key Indicators Monthly Dashboard			
Indicator	This Month	Last Month	Benchmark target*
Sales			budget
Sales Growth			> x%
Net Income			> x%
MML (after taxes & benefits)			> x%
EBITDAP			> x%
Current Ratio			> x
Days of Cash on Hand			> x and < y
Legend:**	At or above target	Within range of target	Significantly off target



Financial Dashboard:

- Key Indicators
- Comp to previous month and to budget/benchmark
- Keep it simple, build on it as board becomes more savvy

Policy Governance Basics: Policy Monitoring

Policy Type: Executive Limitations

Policy Title: B6 - Staff Treatment and Compensation

Last revised: **May 6, 2019**

The General Manager must not treat staff in any way that is unfair, unsafe, or unclear.

The GM must not:

1. Cause or allow personnel policies to be inconsistently applied.

Interpretation:

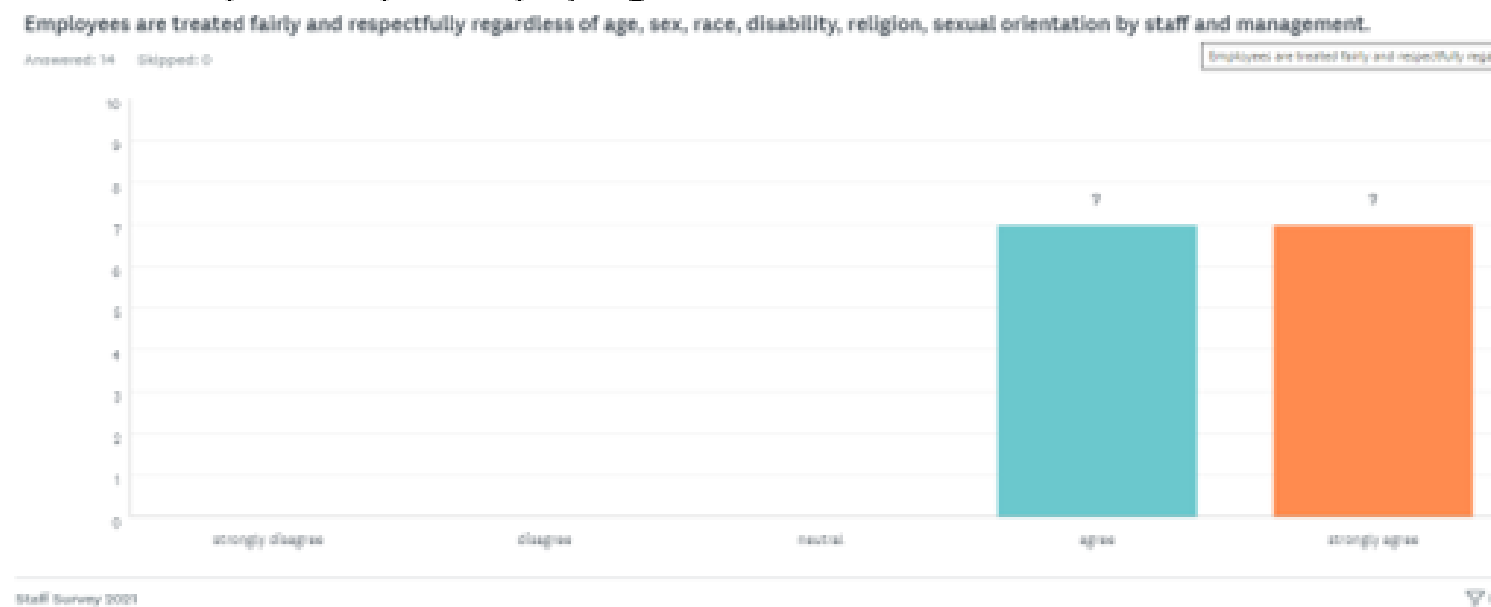
I interpret this to mean that all staff will be held to the same standards as written in the personnel policy manual.

Compliance measure:

- Data from the Staff Survey showing staff impressions of fair treatment from each other and management.

Data:

- All staff that took the staff survey either agreed or strongly agreed that they're being treated fairly and respectfully by mgmt. at PFC.



Example of Report Parts:

- State policy
- Interpretation
- How compliance is measured
- Data
- Compliance?

I report compliance.

questions & discussion



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resources & thank you!

FCI Startup Leadership Transition Handbook

Columinate Policy Register



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