

POLICY NO. 10-150

REVISION DATE: November 23, 2004

SUBJECT: AUTHORITY AND RESPONSIBILITY OF GENERAL MANAGER

I. PURPOSE

To describe the authority and responsibility of the General Manager.

II. POLICY CONTENT

The Board of Directors and the General Manager form a team united to serve the best interests of the membership. The need for them to work effectively and efficiently together is critical to the success of the Cooperative.

While they are both part of the management team, each of them have distinct areas of responsibility. The following table helps to explain how to distinguish these responsibilities between the Board and the General Manager:

BOARD AREAS

- Accountable to members.
- Makes idea decisions.
- Makes long-term decisions.
- Determines overall goals established
- Establishes policy.

- Plans gen. mgr. Succession.
- Determines job responsibility for directors and General Manager.
- Sets standards of performance for directors and General Manager.
- Appraises organizational performance.
- Approve budgets.

GENERAL MANAGER AREAS

- Accountable to board.
- Makes action decisions.
- Makes shorter-term decisions.
- Decides how to carry out board goals.
- Proposes policies and manages within board approved policies.
- Plans staff succession.
- Determines responsibilities for staff personnel.

- Sets standards of performance for staff personnel.

- Appraises operational results.

- Manages activities within approved budget limits.

The preceding information can be summarized by stating that the Board of Directors is responsible for hiring a General Manager, developing the long-term goals and objectives for the Cooperative, and for developing the necessary policies to attain these goals and objectives. Furthermore, the Board of Directors is responsible for measuring the performance of the organization (comparisons between planned and achieved results).

The General Manager is authorized and responsible for hiring and training a competent staff of employees. The General Manager is authorized and responsible for developing the necessary procedures to comply with board policy, and designed to achieve the board established goals and objectives. The General Manager is also responsible for the activities of the organization, and for developing and using reporting systems to keep the board informed of the results of the organization's activities.

The "flow" of authority in a Cooperative obviously flows from the Board of Directors to the General Manager. The General Manager then delegates authority to individual staff members. It is the policy of the Board of Directors to refrain, as individuals, from directing the activities of Cooperative staff members. Exceptions to this normal flow of authority must be authorized in advance by an approved board resolution and/or approval of the General Manager.

III. RESPONSIBILITY

The General Manager is hired and responsible for carrying out the policies of the Board of Directors in furtherance of the Cooperative goals and objectives. The General Manager has the authority and is responsible for developing and implementing the necessary procedures to manage the activities of the staff in furtherance of the Cooperative goals and objectives.

ATTESTING:

President

Secretary

Date