

Policy Type: Executive Limitations
Policy Title: EL1 – Financial Condition and Activities
Last revised: April 12, 2023

With respect to the actual, ongoing financial conditions and activities, the General Manager must not cause or allow the Cooperative to be unprepared for future opportunities, the development of fiscal jeopardy, or key operational indicators to be unsatisfactory according to guidelines established by National Co+op Grocers (NCG).

The GM must not:

1. Fail to successfully achieve all essential financial and timeline projections in the Project Pro-forma, for both the construction project and current store operations.
2. Fail to maintain sufficient financial strength to enable the Co-op to fully complete the construction project and successfully launch the new store.
3. Default on any terms that are part of the Cooperative's financial obligations.
4. Allow late payment of contracts, payroll, loans or other financial obligations.
5. Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.
6. Acquire, encumber or dispose of real estate or enter into long-term real estate leases.
7. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.
8. Use restricted funds for any purpose other than that required by the restriction.
9. Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).
 - a. The GM shall not fail to have in place a policy that provides a consistent and accurate method of accounting for capital assets.