

**GOVERNANCE & POLICY BEST PRACTICES**  
**Vermont Farmers' Market Association**  
**April 2013**

Establishing solid governance and policies promotes the continued health and operation of the market.

**Governance**

- Markets should research different legal structures (ie. LLC, sole proprietorship, nonprofit, cooperative) and choose one that best suits their purpose, mission and/or needs.
- Consider an appropriate structure that can hold the necessary liability for the market.
- Check the [VT Secretary of State](#) website for more information on different legal incorporation structures.

Your market should consider having a mission or purpose statement and by-laws or guidelines, which should include the following:

- A process for decision-making that is transparent.
- If your market has a governing body such as a steering committee, the following are important topics to consider:
  - Create set meeting and voting structures. (Consider following Robert's Rules of Order).
  - The governing body should have staggered term limits to provide continuity and delegate roles to the different members of the governing body.
  - Define a quorum for regular and annual meetings.
  - Encourage participation of all members/vendors.
  - Try to create a structure that takes into consideration future growth of your market and strategic planning.
- A mission to be a determined balance of agriculture/craft /and prepared food vendor percentage.

Many VTFMA markets have their policies posted on their websites. Consider looking at what other markets do to find models that could work at your market and don't hesitate to reach out to other market contacts to ask them how their bylaws and policies are working out. Click [here](#) for a list of VTFMA markets and contacts.

**Policy**

Consider policies that reinforce the mission/purpose of your market.

- Markets should obtain limited liability insurance.
- Obtain a signed document from vendors stating that they have their own product liability coverage; the necessary town, state, and federal licenses; and that they understand that taxes are their responsibility.
- Markets should have clear and transparent policies about what type of vendors/products are allowed at the market and how vendors will be chosen.
- Markets should have clear and transparent policies about who can sell vendor products (producer, family, interns, employees) and what products are allowed.
- Markets should have a clear and transparent procedure to deal with rule violations and grievances.

- Have a reasonable vendor/membership fee.
- Have a membership structure and a framework for member privileges.
- Markets should have a streamlined method to collect market data at each market (ie. vendor gross sales, alternative currency use, attendance). [NOFA-VT](#) and [Market Umbrella](#) are two good resources for this.
- Markets should create an organized record of useful information for future Market Managers and board members including items such as:
  - Local contacts for outreach
  - Donors and fundraising goals
  - Seasonal check-list of tasks
- Markets should have a policy for volunteers with clearly defined roles and expectations.