


Board Meeting Minutes
Tuesday, March 27, 2018; 5:30-8:30 pm

Attended by:

Board Members: Isaac, Naoki, Jenny, Dave, Jacob

CM: Rachel, Ryan, Tyler, Kathryn

Member-Owners: Christopher (Elections Committee), Ellen (Elections Committee), Biana, Sandra, Rachel, Nikki, Tyler, Alexa, Neptune, Kimberly, Andie

Guests: Missy Rohs (facilitator shadowing)

Facilitation: Andrea **Minutes:** Gayle **Vibes:** Naoki, Dave **Clean-up:** Jenny, Rachel **Scribe:** Jacob

COMMITMENTS:

	COMMIT MADE	DIRECTOR(S)	DUE DATE	COMMITMENT
1	11/15/16	Dave, Lisa	5/18	Dave and Isaac -Lisa will discuss and present something about possible trainings for Board and CM on how to triage/de-escalate difficult interactions by March 2017. (Include what is most critical and what is more aspirational.)
2	2/28/17	Teresa , Lisa, Kathy	1/18	Bring back further reflections on 2.1 (action response plan and restorative justice model) by June. Lisa and Kathy will bring Urgent Response Policy agenda item in August.
3	4/25/17	Teresa -Lisa	1/18	Teresa -Lisa will read through policy & bylaws to find out if process of board only talking to CM through CM Link is specified and if any changes need to be made there.
4	9/26/17	Naoki, Isaac, Kathy	3/18	Review current policies and develop a proposal for updates to guide board response to email communications.
5	10/24/17	Rachel	3/18	Rachel will ask Padrice to respond to Jacob's question re: how confident CM is of compensation and benefits metrics.
6	10/24/17	Lisa, Jenna	3/18	Lisa and Jenna will draft questions for the lawyer, circulate them to the board for feedback, then pass along to CM.
7	10/24/17	Lisa	1/18	Lisa will update MOs who had questions about the issue of sharing financial information with where we are with this issue.

8	11/28/17	Isaac	4/18	Isaac will work on evaluating Policy 2.5 for board authority and suggest any needed changes.
9	11/28/17	Lisa, Dave	5/18	Lisa and Dave will work on evaluating Policy 2.3 and 2.4 for board authority and suggest any needed changes.
10	1/2/18	Naoki	5/18	Naoki will look more into 2.1.2 and suggest alternate wording.
11	1/23/18	Kathy	3/13/18	Kathy will look at Lisa's Board commitments and will figure out how best to redistribute the work by the next Board agenda planning meeting.
12	1/23/18	Jacob, Rachel	5/18	Jacob and Rachel will support the new CM elected Board Member and provide appropriate orientation.
13	2/27/18	Jacob	4/18	Jacob will follow up with Alexa.
14	2/27/18	Dave	3/18	Dave will follow up with Sandra.
15	2/27/18	Jacob	5/18	Jacob will work with Ashley to put together an agenda item for May regarding item 3 in the LTPC report (establishing policy and procedure that will enable the Board and CM to integrate representative feedback from our Member-Ownership and center voices and needs that are typically marginalized in development processes).
16	2/27/18	Jenny	4/18	Jenny will bring policy reflection 2.3 to the March agenda and request to CM for info for April meeting.
17	2/27/18	Jenna	3/18	Jenna will discuss the turnover issue with CM Link. Maybe in a safe space conversation? Might need to be confidential (executive session) since it involves personnel.
18	3/27/18	Dave	4/18	Dave will follow up with Rachel.
19	3/27/18	Jenny	4/18	Jenny will follow up with Sandra.
20	3/27/18	Naoki	4/18	Naoki will follow up with Nicki.
21	3/27/18	Isaac	4/18	Isaac will join audit team along with Dave, with caveat that he only has a few months left on Board.
22	3/27/18	Isaac	5/18	Isaac will bring back a new policy about FM monitoring in May after the meeting with Shawn in April.
23	3/27/18	Naoki	4/18	Naoki will amend Policy 2.8.1 to replace "line" with "measure" and change language to "shall not neglect to

				provide” and add it to the policy register.
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Note: Items assigned to Lisa are highlighted to make them easier to find and get reassigned.

DECISIONS:

- **Decision: Board accepts February minutes as revised.**
- **Decision: Board agrees to amended agenda.**
- **Decision: Board accepts revised report 2.1.**
- **Decision: Board is in agreement to do a full audit of 2018 in 2019.**
- **Decision: Board is in agreement to go with the auditing firm that Shawn recommended.**
- **Decision: Amend Policy 2.8.1 to replace “line” with “measure” and change language to “shall not neglect to provide.”**
- **Decision: Close meeting and go into Executive Session as proposed on agenda. Board invites CM Tyler and CM Ryan, MO Sandra, and facilitator.**

NEW COMMITMENTS:

- Dave will follow up with Rachel.
- Jenny will follow up with Sandra.
- Naoki will follow up with Nicki.

Isaac will join audit team along with Dave, with caveat that he only has a few months left on Board.
Isaac will bring back a new policy about FM monitoring in May after the meeting with Shawn in April.
Naoki will amend Policy 2.8.1 to replace “line” with “measure” and change language to “shall not neglect to provide” and add it to the policy register.

OPEN FORUM:

NOTE: The following are excerpts from prepared statements read by 3 MOs.

- The call outs by another MO started after a boundary set by myself and the women’s House I lived in. Isaac was not a part of that decision and never talked to that MO or others about it. He has actually had no contact with that MO (except through this co-op process) since that MO left for India with their then fiancé, about 3 years ago. To make an assumption that Isaac is responsible for my & the other women's decision, because we are partners, is offensive to me. To ask him to take responsibility for, apologize for, or take action against him for, a decision that I still stand by is disempowering to me. The CM informed us that they’re holding this process within a framework of safer spaces and power & privilege, which is a sound intention and necessary perspective to create healthy community. Sadly, for us, this process has been a damaging & deliberate act of revenge against a group of women and children who compassionately set a boundary to protect ourselves from harm.
- It is astonishing to me that over a year has gone by without some sort of conflict resolution. I imagine it would be stressful, painful, and overwhelming for both parties to carry this for so long; I know it has been for Isaac. Since joining this home, however, I can confidently stand by the fact that I have not experienced any notion of the thought that rape is okay from Isaac or any other community members and that efforts in maintaining a safe, caring, transparent home is clearly apparent and valued. I do not believe that Sandra and Isaac are lying when they say they did not know about the MO and their expartner's situation when Sandra's home made their decision, and believe Sandra when she says her decision was based upon observations of the MO’s behaviours whilst at her home. I understand that to create a safe space for the MO we must respond to them with care and attention, for

a personal violation such as rape is a serious and pain-filled issue. But it makes me sad and disappointed to see that People's Co-op has been attempting to prosecute and defame a community member without a kind of "due process" to evaluate accusations. And furthermore, that in response to creating a safe space for one person, an unsafe space, within and without the People's Co-op, has been created for many others of the community.

- Any support offered to individuals on their healing journey should not merely internalize their pain/fear nor simply refract it in any available direction — such as attempting to tear down a person in power regardless of fault or facts. Support cannot be at the expense of love, respect, and discernment. Creating a hostile environment, particularly for those open and willing to participate in a restorative process, sets a terrible precedent and only leads to more fear, more pain, for everyone. We need love to heal.

Dave will follow up with Rachel.

Jenny will follow up with Sandra.

Naoki will follow up with Nicki.

AGENDA REVISIONS:

- Item 1: Collective has requested an extension. Changing this item to review an article on keeping co-ops relevant.
- Item 6: Changing to discussion about upcoming board retreat.

Decision: Board agrees to amended agenda.

MINUTES APPROVAL:

- **Decision: Board accepts February minutes as revised.**

AGENDA ITEMS:

1. Discuss Article about Keeping Food Co-ops Relevant

Sponsor: Naoki

Purpose: discuss

- Article asks: Can food co-ops survive the new reality? Let's apply it to People's.
- I thought it was right on. If you want to make an interpretation regarding People's, I think it puts us in a very interesting situation. Community aspect and differentiation: we've been really outstanding with that. Limitations of organizational development in this space.
- The main thing I took from this was that sense of community and empowerment is really significant. Especially when talking about price comparisons. Another thing really important: You want a friendly face, and you want help when you're shopping downstairs. Being valued as a human while shopping. Very different from, say, online shopping. What do we have other than a friendly face, a personal connection, that kind of thing, when you can get the same stuff online for 20% less? We have our Ends.
- Timeline: We don't have an edge anymore; sometimes competitors get same things from same suppliers and can offer them for 20% less. Need to find appropriate balance of ideals of how we want to operate and what we want to provide with what the expectations are of member-owners of the store.
- There is a piece that talks about when co-ops were started, their mission was to provide access to healthy, local, sustainable food, and we succeeded at that. Now competitors have that too, so now what? What will differentiate us? Community piece, customer service (which is linked with community piece). People come together to make decisions here, which is pretty unique. Co-ops offer a sense of

community and empowerment in decision-making.

- Designed to meet a community need, community wealth idea. We have connected that very closely to organic food. That connection of community coming together to get something we could otherwise not access is what drives most co-ops. Figuring out how to go back to that basic principle as we move forward, how to have differentiation, connect people with providers.
 - You talked about community need; we also talked about that in the training this weekend. Do you still feel like this underlying need exists?
 - Not sure if original need is still there, but there may still be a place for this. This co-op could still address disparity, lack of access, lack of equity. We have the ability, by focusing on local community and need, to bring an experience that attracts people. Need to fine-tune it for the communities that we serve.
- Have had feedback that pricing at co-op makes it less relevant for people she knows. In terms of meeting a community need, that might be something we need to look at.
- What do we do well? What is our differentiation?
 - Farmers' market
 - Community yoga
 - Connection with local farms
 - Pricing is a huge need. Talked to NCG about this. Often we make decisions that put our Ends in opposition to each other (local farms vs sustainable pricing).
 - MOs appreciate that they can trust the products on the shelf and that produce is mostly local and sustainable.

2. Policy 2.1 Report Revision: Treatment of Co-op Patrons

Sponsor: CM Link

Purpose: decide

- Is board prepared to act? Yes.
- Any questions about the revised report section?
 - I'm curious why in the operational definition there is no link to the bylaws that is about Member Access to information. I think it brings a much more empowering aspect to information access.
 - Was that about operational definition? Yes, it feels like "we need to give information," but could we add something about "participation is about helping people engage"?
 - We don't explicitly call for that in the policy. To be honest, what we do call for does not lead to that assumption from an operational point of view.
- Any concerns with the report as submitted?
 - Thank you for resubmitting it. It feels much better. It's more on the board to make clearer policies. We need to work on that to provide more guidance.
 - I just happen to have my policy record here. In a few months, there will be another item about member engagement (2.4.5). I wonder how the board will approach that policy review process as a whole.
 - Re access to financial info: I don't think it's about someone wanting to see details about spending. More about how we are handling requests for access to financial information.

Decision: Board accepts revised report 2.1.

- Policy reflection:
 - Already working on revision of policy; putting it out to May.

3. Finance: Decide on Audit

Sponsor: Kathy/Naoki

Purpose: decide

- Shawn advised us to do a complete audit of 2018 (at the beginning of 2019), but to make the decision now while Shawn is still here.
- I think the one piece I'm questioning is the cost. Review is \$6-7K; full audit is \$16K. What are the key differences between review and audit?
 - I think with the audit, they actually come here for a few days, ask for a lot of paperwork, dig into processes. With a lot of turnover in the finance department, it might be good to have an audit to make sure processes are good.
 - In a review, they ask for succession process, progress on goals since last audit. Not necessarily look at hand-off process, just the results.
- How much work would the treasurer of the board take on to do the audit?
 - Really not too much. Some initial doc signing, and treasurer is the one who can ask questions of the auditor after results are in, and set up presentation of findings, and be official go-between between the board and the auditor.
- Timeline is some work in January with Q4 audit, then Feb-March next year, 40-50 hours of CM work with 2018 audit.
- How do we make sure that once you leave, process is still happening?
 - If you decide today you want to do it, I would set it up before I leave, connect people, maybe have someone observe inventory.
- The earlier you contact an auditor, the better set of dates you can get.
- Also good to get it into budget for next year.
- Before you leave, can you confirm amount of work needed from treasurer?
 - Yes, can connect Dave with auditor and get more input.
- Technically, audit committee is supposed to include another board member besides treasurer.
- While are still actively looking at potentially taking a big step forward in development plan. Choosing to audit now shows investors that we are planning ahead and presenting clear, accurate, recent deep financial data.
- **Decision: Board is in agreement to do a full audit of 2018 in 2019.**
- **Decision: Board is in agreement to go with the auditing firm that Shawn recommended.**
 - Best practice is to change either audit firm or primary person doing the audit every 3-5 years.
 - Shawn can identify who did it last time and board could ask for a new primary within same firm.
- Dave is board treasurer. Who else will join audit team?
 - What does it entail? Meet with auditor, read through info presented and ask/answer questions. But none of that happens till later. Now it's just hiring company, signing form.

Isaac will join audit team along with Dave, with caveat that he only has a few months left on Board.

4. Finance: Additional FM Monitoring During Transition

Sponsor: Kathy/Naoki

Purpose: decide

- Context: Last board meeting, we talked about wanting to have an understanding of what 2018 looks like in terms of expenses and sales and net income. How much of the cash we currently have will be used to keep this place open? Understanding what's ahead of us. Also, making sure that before Shawn leaves, we understand how we did in Q1. In May, we are supposed to review Q2; would be good to know how we did at April board meeting.
- Makes sense to have more frequent review. Some co-ops do this review weekly! That's probably undue burden, and monthly would be also, but quarterly makes sense.
 - Do you want Shawn to come to that meeting? How is it different from what's in FYI? (What

would we need to add to reach that level?)

- I sent a template to Shawn. Having an income statement would be useful. Shawn and I will meet next week to go over what it looks like and make sure we're in agreement.
- I was under the impression that what you want is different from what's in FYI now (e.g., quarterly projections). Is that right?
- We already get projection for each year. Doesn't say whether we did better or worse than our budget. Would be good to see how we're doing against budget, and if needed, how we plan to get back in alignment with budget.
- Maybe it's just a matter of reformatting the 2.3 report document to include comparisons to budget. It is important for board to understand our numbers. Want to caution board away from getting too dragged into the details--because of policy governance, there's only so much that board can do. But understanding the numbers and the processes, yes, we need that. Hopefully are getting that in the reports.
- Doesn't include capital expense/depreciation, but if we do spend something on capital, it's in the FYI. Capital budget & what's already been spent--more comprehensive but less detailed. (Not cost of goods sold--I meant labor costs.) Can't pull all of it monthly because we do inventory quarterly.
- Request: Additional financial reporting, ongoing. Want sales in context of budget. Format to be decided; Isaac/Naoki/Shawn will meet. Compare actual expenses vs budget.
- Maybe the board will want to make this into a policy so it's actually a report and not just an FYI!
- I think it's worthwhile if we could fit in a safe space conversation about this with Shawn next month.

Isaac will bring back a new policy about FM monitoring in May after the meeting with Shawn in April.

5. Executive Summary in Monitoring Reports

Sponsor: Jenny

Purpose: decide

- A couple months ago, we came to an unofficial agreement that having a summary of monitoring reports in the non-confidential packets would be useful. Would like to add this into policy.
- Why did it land in 2.8 rather than something that is about making information available to MOs?
 - Great question. Monitoring data required by board is there, but honestly am not tied to it being in 2.8 versus somewhere else that makes more sense.
 - In consult from lawyer re should this info need to be confidential: His interpretation of bylaws was that anything that is not about personnel or financial details does not need to be confidential.
 - We went around and around about that in January, and that's how we got to this executive summary place. Are we in a gray area with bylaws with this? If so, we were already in that gray area, and this make it less murky and is a step in the right direction.
 - I thought it fit better in 2.8.6 vs 2.8.1. Now trying to remember if another board member had another opinion? (Doesn't matter, as long as it gets in there.)
 - Issue with the word "line."
 - Replace line with measure, and change language to "shall not neglect to provide."

Decision: Amend Policy 2.8.1 to replace "line" with "measure" and change language to "shall not neglect to provide."

Naoki will amend Policy 2.8.1 to replace "line" with "measure" and change language to "shall not neglect to provide" and add it to the policy register.

6. Board Retreat

Sponsor: Naoki

Purpose: decide

- Dates: May 25-27, Memorial Day weekend.
 - Would board reconsider date? Might be hard for CM not in original doodle poll to make it that weekend.
- Location: Any concern with distance, etc?
 - We talked about 100-mile radius. Jenna found a great one on the coast, but it might not have enough space.
- How many CM will be attending? Just CM Links? (How many of them are there?)
 - Kathryn, Rachel, (not Ryan this time), finance person, Sofie, cook = 5.
 - We can probably skip finance manager this time; they will have been in the job less than a month.
- Seems we won't be able to make final decision today. Consultants will need final say.

7. Executive Session?

The Board agreed to go into Executive Session as proposed on agenda, and then debated whom to invite to that session.

Decision: Close meeting and go into Executive Session as proposed on agenda. Board invites CM Tyler and CM Ryan, MO Sandra, and facilitator.

MEETING EVALUATION

Celebrate!

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Opportunity for change:

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NEXT MEETING: Tuesday, April 24, 2018, 5:30-8:30 pm

Next meeting agenda brainstorm:

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BIKE RACK/FUTURE MEETING TOPICS:

- Revisit policy 2.7.1 Compensation and Benefits
- Accountability loop between CM and BOD— how is it actualized? – Refer to policy 3.4 Monitoring CM Performance
- Revisit whether or not to change Patronage Refund to Patronage Dividend in the bylaws
- Creating a policy for when new directors can vote
- 5-10 year planning on patronage trends and opportunities

- Discussion of how to communicate the Meeting Guidelines other than just having them
- The “staggering” clause of Article 4.3
- Further developing the “CM nominates/Ownership elects” proposal
- Look into 80% insurance issue within 3 months (2.5.1.1)
- Submit a more developed Share Cost policy to the agenda committee (4/23/13)