


**Board Meeting Minutes**  
**Tuesday, May 22, 2018; 5:30-8:30 pm**

**Attended by:**

Board Members: Jenna, Jacob, Isaac, Kathy, Naoki, Jenny, RachelP

CM: Gwenn, Briar Rose, Sofie, Kathryn, RachelM

Member-Owners: Mark, Chris, Gordon, Phil, Vishal, Peter, Ellen, Christopher

Guests:

**Facilitation:** Andrea **Minutes:** Gayle **Vibes:** Kathy, Naoki **Clean-up:** Isaac, Jenna **Scribe:** Sofie

**COMMITMENTS:**

	COMMIT MADE	DIRECTOR(S)	DUE DATE	COMMITMENT
1	11/15/16	Dave, Lisa	5/18	Dave and <del>Isaac</del> -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	<del>Teresa</del> , 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	<del>Teresa</del> -Lisa	1/18	<del>Teresa</del> -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	8/18	Review current policies and develop a proposal for updates to guide board response to email communications.
5	10/24/17	Rachel M	6/18	Rachel M will ask Padrice to respond to Jacob's question re: how confident CM is of compensation and benefits metrics.
6	11/28/17	Isaac	7/18	Isaac will work on evaluating Policy 2.5 for board authority and suggest any needed changes.
7	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.
8	1/2/18	Naoki	8/18	Naoki will look more into 2.1.2 and suggest alternate wording.

9	1/23/18	Jacob, Rachel M, Rachel P	6/18	Jacob and Rachel M will support the new CM elected Board Member (Rachel P) and provide appropriate orientation.
10	2/27/18	Dave	3/18	Dave will follow up with Sandra.
11	2/27/18	Jacob	7/18	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).
12	2/27/18	Jenna	7/18	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.
13	3/27/18	Dave	4/18	Dave will follow up with Rachel.
14	4/24/18	Dave	5/18	Dave will follow up with Tyler.
15	4/24/18	Naoki	5/18	Naoki will change the policy register to reflect the updates to policies 2.2 and 2.2.1 as mentioned in the statement (adding ."effective and timely.")
16	4/24/18	Kathy	7/18	Kathy will bring the topic of the request to CM back to the board in 3 months for a check-in.
17	4/24/18	Naoki	7/18	Naoki will bring the board meeting structure back to the agenda in 3 months.
18	5/22/18	Naoki	6/18	Naoki will follow up with Mark.
19	5/22/18	Jacob	6/18	Jacob will follow up with Peter.
20	5/22/18	Naoki	9/18	Naoki will add language to Policy 2.3 regarding sales growth by September.
21	5/22/18	Naoki	6/18	Naoki will update the policy register to add the Access to Information policy as Appendix F.

*Note: Items assigned to Lisa are highlighted to make them easier to find and get reassigned.*

## **DECISIONS:**

**Decision: Board accepts April minutes as revised.**

**Decision: Board does not accept Policy 2.3 report as written; asks for update next month to answer questions in the minutes.**

**Decision: Board accepts Policy 2.5 report as written (with one stand-aside).**

**Decision: Board accepts Policy 2.8 report as written.**

**Decision: Board is in agreement with adding the new Access to Information policy to the Policy Register as appendix F.**

**NEW COMMITMENTS:**

Naoki will follow up with Mark.

Jacob will follow up with Peter.

Naoki will add language to Policy 2.3 regarding sales growth by September.

Naoki will update the policy register to add the Access to Information policy as Appendix F.

**OPEN FORUM:**

- Shopping here for many years. This is one of the best run businesses I've ever seen. Communication, selection, values, board meetings, facilitation. But I have a story to share, and I am willing to help with solution. I have talked to neighbors who do not shop here because it feels like a clique. Worried about staff turnover also. Along with that, I came to the conclusion that we are not the most welcoming business. Need to be more friendly to members and non-member shoppers. This is the only thing I could criticize about People's. Other friend thought service could be rude--no eye contact, etc. Inclusion looks like what we have here, but if I am having a problem and it's hard for me to unload basket, bag purchases, get stuff to car--could use help so as not to slow down the checkout line. We should see this show up in an audit report. I think we can do better, and I will volunteer to help with efficiency--help with bagging, etc.
- I talk to a lot of MOs, and one of my favorite conversations is what's their sense of what makes the coop special. Many say values. We seem to have an intuitive agreement of what makes the coop special. Sometimes the conversation continues and we get to What about planning? It has closed meetings, no minutes, no access. Often my emails aren't answered. It feels like a black hole, and that's not part of our cooperative values. I don't have an answer for how this is in line with our values.

Naoki will follow up with Mark.

Jacob will follow up with Peter.

**AGENDA REVISIONS:**

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**MINUTES APPROVAL:**

**Decision: Board accepts April minutes as revised.**

**AGENDA ITEMS:**

**1. Policy 2.3 Report: Financial Conditions & Activities**

Sponsor: CM Link

Purpose: decide

- Board prepared to act? Yes.
- Questions?
  - 2.3.1: Operational definition changed from before--why?

- Not familiar enough with historical context due to turnover. Will find out for next month.
- 2.3.1: Plan for compliance: Would like to understand what is being done, not only that it can't be done.
- I have seen idea of promotions/discounts costing more than anticipated. What is meant here?
  - From what I understand, we didn't budget for all promotions we did last year but wanted to boost sales. Higher than expected coupon redemption!
  - Usually we send one or two a year, and those are budgeted. October's redemption rate was way more than similar coupons. So marketing budget was over, but at least it went to MOs rather than to buying stuff.
  - Hard to track if coupon redemption increased overall sales at the same time. Can we say the promotion was more successful than expected? Or did people use coupons on the same amount they were spending anyway?
  - I suspect that some of that was in reference to the potential concerns on the part of some board members, including me, to any overage or cause for loss, due to the 10% every month that we had a few years ago.
- Something to consider around sales growth: we could add language to make the distinction clearer.

**Decision: Board does not accept Policy 2.3 report as written; asks for update next month to answer questions above.**

Naoki will add language to Policy 2.3 regarding sales growth by September.

## **2. Policy 2.5 Report: Assets Protection**

Sponsor: CM Link

Purpose: decide

- Did the board come prepared to act? Yes.
- Questions?
  - Thank you for the level of detail here!
  - I would like to understand who is doing the review--a bit more insight to which position does that.
    - It's the Operations Manager.
  - Freezer issue: is it mentioned?
    - Yes, 2.5.4. One major freezer outage in the last reporting period. Unfortunately, there has been another since then.
  - 2.5.5: Are audits done internally or with another organization?
    - Internal audit based on things we would be fined for or cited for if found on external audit. Operations Manager follows through to make sure everything gets into compliance.
  - 2.5.5: Table headings are off.
    - Not changing from 2016 to 2017 was an editing oversight. Typically, table would show 2 years. Columns on the right should be 2017.
  - 2.5.9: Operational definition says we will operate at a profit. Not sure why, since that's covered in 2.3.
  - 2.5.9: It seems that recent grievance process might have affected our public image. Would like to see that in the operational definition.
    - Learning moment: This is a policy reflection. Do the "reasonable interpretation" test.
    - I think it's reasonable to have left it out based on policy as written, though it did affect the public image.

- Are there any blocking concerns?
  - I see the grievance issue as a long, drawn-out lesson that we are not yet finished learning. It was a unique circumstance. I think it is not appropriate to reject the report based on this.
    - It's not totally clear to me the causation that issue had on public image. In the same timeline, there were other things happening that also affected our public image (i.e., the way long term plan was communicated). I don't think it would be useful for us to ask for more information about that event's impact in order to accept this report.
    - What operational definition would be measurable about how it impacted our public image? What did CM do that affected the public sphere?
    - I fundamentally agree that it was an issue that impacted us, but it was such an oddball issue, so I suggest we set it aside and not waste labor hours on adding it to the report. It is a big, significant issue that we need to deal with, but it's not something that we can say: CM, fix this.
  - Is the board in agreement with accepting this report? Yes, with one stand-aside.

**Decision: Board accepts Policy 2.5 report as written (with one stand-aside).**

### **3. Policy 2.8 Report: Communication & Board Support**

Sponsor: CM Link

Purpose: decide

- Did the board come prepared to act? Yes.
- Questions? Concerns?
  - Reports were late many times this year.
  - 2.8.6: Seems like it should include board input on complexity.
- Does the board accept the report as submitted? Yes.
- Policy reflection:
  - We've got to do something about the late reports. This is addressed in the plan for compliance.
    - I noticed in reviewing the past year, many were marked as late as in not in by 2 weeks ahead of meeting but were still in in time for the packet.
      - The reason that is the deadline is that we set the agenda 2 weeks ahead of the meeting.
      - There have been multiple instances of having report pushed out a month. But this does track with the timeline of link turnover. If there is a way we can support you to get your hands around it, please ask.

**Decision: Board accepts Policy 2.8 report as written.**

### **4. Election Committee Update**

Sponsor: Jenna

Purpose: discuss

- Jenna took over for Naoki on this committee, and many of the candidates are here today.
- There were some questions about the vetting process. There was insufficient time for committee to create and do vetting process. Even if
- Saturday, June 23 Meet Your Candidates event. Kombucha ice cream floats with cow and vegan ice cream! Bring your own spoon & cup.
- Are we set up for electronic voting? Yes!

- Should we be concerned that 2 of the candidates are not here?
  - Liz will be here next month. Might not have been on Judi's radar. Maybe Judi can come next month also.

### **ANNOUNCEMENTS:**

- I sent an email to the board about scheduling a work session on annual meeting planning. Please respond if you haven't yet.

## **5. Review Survey's Partial Results**

Sponsor: Jenny

Purpose: discuss

- I sent an email asking that we focus on a few questions.
- The reasons why people shop here: Highest on the list, by far, was that product selection matches MO values. Second most was supporting cooperative businesses.
  - I asked a friend about ranking questions. Validity tends to drop off after the first few. So I looked mostly at what people ranked 1 and 2.
  - Just to step back a bit: Board is on a journey to look at our Ends and see how we can make them more actionable and more in line with policy governance. What is the difference you want to make in customer's lives, and at what cost? In order to come up with these Ends statements, the best practice I've read is that board must understand what MOs have in mind for the organization's purpose (proactively listen to entire ownership) and research trends.
  - Did a grep on phrases and noticed 10 said Farmer's Market, 10 said bulk section. Individual words mentioned were local, community, organic, vegan/vegetarian, atmosphere, yoga.
  - Do we want to explore more about why MOs shop here?
  - Important to note that next most common response was social justice.
  - I think dietary needs is a different thing from product selection.
  - We have the food that people want. That's why they come here.
- Ends in order of importance: 74% healthful foods people trust.
- What do you want to see more of: Bulk, less packaging, low impact.
  - But note that bulk sales are down.
- Low ranks: Access of food to all, welcoming and inviting; Isaac sent his full data report to the Board.
- Projects: Warehouse 60% support, few opposed (not controversial); expanding into courtyard: good number supporting but also significant opposition (controversial); second store: more support than expanding to courtyard but still significant opposition (controversial)
- More review at board retreat, but this was a good preview.

## **6. Updated Policy on Access to Information**

Sponsor: Naoki

Purpose: decide

- Three things: board policy on member access to information, request form, and process.
- Outstanding question: example of improper use: someone is wanting to sue the coop and will use information to support their case.
  - But we might not know they're suing the coop until after they get the information.
- How do we define "mere curiosity" vs "relevant interest." Not well defined.

- Relevant interest is a catch-all. Allows for ask, but “Mere curiosity” allows for rejecting because impact is greater than reason wanted.
- Would be nice to specify domestic partner in addition to spouse.
- How does board feel about charge for information? Reasonable to ask, and also exceptionally low-- other organizations charge \$2/page. Change “may charge” to “will charge.”
- Legally, only one person per share is a MO. Clarify MO named shareholder vs recipient of MO benefits. Need to define what a MO is. (Each share is associated with exactly one person.) we have people who shop here using MO numbers of deceased MO, divorced from MO, household of MO, etc.
- Responsibility for enforcement: Who should be responsible for understanding and enforcing the policy? Let’s hold on that and talk about process.
- Before we go to process: In header for item C, I would like to see “members can request and coop shall provide” to say “members in good standing...”
- Clarify: this doesn’t anywhere say primary shareholder.
- Should we say shareholder instead of member throughout? Bylaws too?
  - We do extend a lot of benefits to entire household.
  - But we have had issues with people not wanting information about their account shared with (former) members of their household.
  - The organization does restrict services to members not in good standing, including the right to vote.subscription.
  - Clarification: shareholder includes people active/current in their subscription.
  - Bylaws talks about owners and named owners, not shareholders.
- Process: Goal is to discuss how request happens.
  - Form on website; initially point to input board, but could change in future. Sofie will create the fillable form on the website.
  - Timeline for turnaround: 2 weeks? 30 days?
  - Concern about having board approve or deny each request. Also need to give person estimate of cost. (Member Engagement Committee? This is a joint board/CM committee!)
    - As a committee of the board, it can be empowered to make a decision on the board’s behalf.
    - We are charging both for copies and for labor? Does this discriminate against those who can’t afford to pay? Could say if you are enrolled in Food 4 All, you don’t have to pay.
    - Will electronic copies of the information be an option? That’s reasonable.
      - Don’t know yet how to do that confidentially. Then again, paper can also be copied & shared. Could use nonscannable PDF.
  - Remember the goal is to get information to members.
- Timeline: acknowledge within 2 weeks; make decision within 6 weeks.
- If referred to board, board makes decision within 2 meetings
- New language: No later than 30 days after the decision, the member will either be provided with requested information or offered times that they may directly review the documentation. (Responsibility of Member Engagement Committee.)
- Summary of changes:
  - Make this policy Appendix F in the register.
  - Change “member” to “owner” throughout.
  - Create new item II under Objective: “This policy applies to named owners in good standing.”
  - Renumber other roman numerals to follow.
  - New III.D.3: add “domestic partner” to spouse.
  - New III.E: change “may charge” to “will charge”; add new sentence at end: “The fee will be waived if the owner is currently enrolled in Food 4 All.”
  - New V: Process for Access (remove TBD).
  - V.2: fill in blank with Member Engagement Committee.
  - Add as V.3: The Member Engagement Committee will either make the decision or refer

decision to Board within 6 weeks

- New V.4.=old 3
- New V.5: No later than 30 days after the decision, the member will either be provided with requested information or offered times that they may directly review the documentation. (Responsibility of Member Engagement Committee.)

**Decision: Board is in agreement with adding the new Access to Information policy to the Policy Register as Appendix F.**

Naoki will update the policy register to add the Access to Information policy as Appendix F.

## **MEETING EVALUATION**

### **Celebrate!**

- Board candidates attended
- Passed a meaningful policy change
- Talked about Ends and future
- Great start on member survey review
- Tried new table layout

### **Opportunity for change:**

- Ended late
- Didn't make clear outputs/next steps from member survey review
- Not a fan of the weird islanding effect of the tables

**NEXT MEETING: Tuesday, June 26, 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)