



Board Meeting Minutes

2.17. 2011

Attendance: Erin Genia, TJ Johnson, John Nason (*Facilitator*), John Regan, Rochelle Gause, Rob Richards, Ron Lavigne, Jayne (*Board Rep*), Fern Moore (*Board Observer*)

Absent – Eric Mapes, Julia Sokoloff

Agenda

Announcements

Mission Statement/ Agenda Review

Commitments Review / Minutes Review

Member Comment

Accountability Team Update

Boycott Subcommittee Update

Tulip Credit Union

Board Retreat Check In and Next Steps

BPC Report

Committee Reports

Expansion (*Executive Session*)

Meeting Eval / Commitments/ Next Facilitator

Announcements

- Jayne will send out the 'Queen of the Sun' email for consent tonight
- The Duwamish Legal fund sent an enthusiastic 'Thank You' for the Board's donation.
- The Olympia Food Co-op won 'Best Grocery Store' in the Volcano's Best of Olympia, and the Eastside beat out the Westside as the 'Best Co-op!'

Commitments Review

- *Rob will send out the list of boycott subcommittee members to Jayne to email out to all, post on the blog and share with staff*

Yes

- *Jayne will check in w/ Grace about donations and deductibility*

Yes there is a deduction, it is a certain percentage of money we made.

- *Jayne will construct a doodle survey to schedule the board retreat*

Yes

- *TJ, Rob and John N will meet to draft an agenda for the retreat*

Yes

- *The Board will read the Restorative Circle notes and next steps doc and glean out their priorities and send to John N.*

Yes

- *John will digest and prioritize the list of suggestions, and will email out to all and send it to Rob and TJ to include in the retreat.*

More needed

- *Jayne will email the Boards Anti Oppression training contribution to Michelle W and Sarah*

More needed it may not be necessary that we fund it from our line item it could be funded by multiple line items, finance team will make recommendations.

Minutes Review: January 20 2011 – Consent

Accountability Team Update

Becca will update the Board monthly on the implementation of the Accountability system. In 2010 the Collective consented to the proposal and in order to enact the process this team was assembled to create work plans including all staff and groups that are involved in the implementation. So far they have created a timeline for 2011 that involves work plans. They are working with all the CATs, committees and coordinators. They developed new Job Descriptions for the 'Assessment Inquiry Team' and the 'Oversight Committee'. They also have constructed work plans for the Training Team, Personnel Team, the Eval CAT and the Archiving Team. As the work plans get more developed and work gets completed she will report back to the Board.

Boycott Subcommittee Report

The Boycott Sub committee, which is comprised of Board Members, Staff, and Members at large held their first meeting. They decided at that meeting that a first step was to gather information from Staff by creating feedback forms and attend work group meetings to solicit opinion on how the boycott policy has worked, what they would change, and general feedback pertaining to the policy. The Committee also discussed the Product Selection Guidelines and how they relate to the Boycott Policy.

Questions arose about at what point should they check in on evaluating the 'Product Selection Guidelines' and with whom.

Jayne recommends putting that on the Staff survey, she is unsure how many Staff think that the Product Selection Guidelines need to be changed and reminds that this committee is charged to evaluate and make recommendations on only the Boycott Policy.

Tulip Credit Union (see attached documents)

Members of the TULIP Board attended to introduce themselves, align work plans and communications. Eric Bowman, Board Chair introduced the organization as the smallest Credit Union in the state, a CFI consisting of over 1000 members.

The TULIP board acknowledged that OFC is their parent and was integral in creating the organization. They are appreciative of the collective management structure and how helpful the Staff is. In order to be a TULIP member you have to be low income and a food Co-op Member. They manage risk like no other credit union and quite frankly it is not profitable. Tulips goals for this year include to increase ongoing communication with the Board of OFC, increase visibility within the stores, and to serve more Food Co-op Members. 'We wont thrive unless we find mutual beneficial ground. '

In part of their rebrand project, they identified that they want to have more of a visual identity. Some of their ideas include Logos wt the registers, on the receipts, gift certificates, events and tabling in the parking lot, a joint committee, to meet on a regular basis, and a Staff TULIP liaison.

Perhaps it would serve better if there were a Staff and Board liaison.

Jayne will do some of this work and investigate who currently holds the TULIP liaison position. Maybe it could be part of a Board Staff committee.

What would success mean to you?

Increase in loan applicants, collocating in a third store. It is a top priority of the TULIP board to engage with the Co-op membership, and the Co-op Board.

Julia suggested TULIP write an article for the upcoming newsletter.

TJ suggested an ongoing presence in the newsletter featuring Member profiles and that we market it to our Members.

Other ideas included creating more visibility of the TULIP office within the Eastside store, perhaps even a sign on Pacific that is noticeable, and importantly developing TULIP training for Staff and Working Members, as well as within the new Co-op Member packets. Eric suggested a presence at the Westside above the ATM publicizing 'Free for Tulip members' and other promotional signs in the store. Eric also created a new slogan 'TULIP too small to fail'

Jayne invited TULIP to come to the work group meeting and do a similar introduction at Staff. The next meetings are in March.

TJ reminded that TULIP has access to financial tools that we could utilize in expansion. The Olympia Food Co-op Board has prioritized outreach to low income people in and beyond the county for the year 2011. In this spirit the Board would like consistent communication with the TULIP board and to have a mutual meeting to brainstorm ideas to further our joint cause.

- ***Jayne will coordinate getting Tulip on the March work group meetings***
- ***Tulip will submit an article for the next issue of the Newsletter***
- ***Jayne commits to acting as the Staff Tulip Liaison***

Committee Reports

Local Farms – went over the committee charter, and got in to a discussion of local food producers that are included in the current work. They also discussed expanding the work of the committee to include all local food producers as well as farms. They will submit a

new charter at an upcoming Board meeting. They are also looking into ways to expand the membership of the committee. There are four new applications from Members to be considered.

Outreach- will be behind on the next branding steps because of new Staff trainings. They completed the survey, and will design a survey for the whole membership on the 9th of March. Handbills and flyers will be available on the Blog, Website, and Face book. From there they will host focus groups to hone in on the branding vision.

Newsletter – are making a new newsletter and little else to report.

Finance- 4th quarter statements have been released. John Nason presented them to the group. Sales were over budget \$118,371. Revenue was 3.7% higher. And Expenses were lower. ***Find out more about the M+R line item.*** There are also questions about the interest revenue, and other more equitable opportunities.

Suggestions: include education about keeping our money local and abstaining Credit/debit

Expansion

****Executive Session****

Board Retreat / Next Steps

The Board held a four-hour retreat in which priorities short and long term were brainstormed. A Positioning statement was identified as a way to unify and identify us within our mission statement.

What makes us different? What is that people value about the co-op?

1. Literally look at the issue of values
2. What is our relationship to other business that are selling the same product and organizations that we cooperate with?
3. Where do we see this market going and what are the opportunities that should be anticipated?
4. Where should we put our organizational energy and focus?
5. Where do we position ourselves in the market?
6. Where do values converge?

Goals for the process:

1. To get everyone on the same page (Board, Staff, and the Membership at large) so that we can have clear purpose and maximize our impacts and influence, change and values.
2. Wide member and staff involvement

The Board would like the Member Relations committee to work with these goals and questions to report back at the next meeting and continued updates monthly.

Meeting Eval: Great

Commitments

- *Jayne will coordinate getting Tulip on the March work group meetings*
- *Tulip will submit an article for the next issue*
- *Jayne commits to acting as the Staff Tulip Liaison*
- *The Board would like the Member Relations committee to work with these goals and questions to report back at the next meeting and continued updates monthly.*

Next meeting:

Finance CAT
Staff Restructuring
Expansion
Accountability Team Update



PO Box 1243 | Olympia, WA 98507
Branch: 360.570.2292 | Fax: 360.709.0086
www.tulipcu.coop | info@tulipcu.coop

Summary

Tulip is one of the smallest credit unions in our State. While there are a dozen successful credit unions serving a broad range of eligible members in our community, we're the only financial institution:

- designed with a field of member-owners to include low-income people and provides services designed to address those particular needs
- tailored specifically by and for low-income people to serve their underserved niche
- certified as a Community Development Financial Institution

Tulip is extremely unique: *We work one-on-one our members to get them into financial stability and out of the abusive and predatory debt cycles.*

Membership

Our field of membership includes:

- anyone in Thurston who's low-income (i.e. 80% of area median income, \$34k)
- members of the Olympia Food Co-op

We lend to a diverse pool of members, ranging from:

- working professionals rebuilding after a bankruptcy
- students with no credit
- military personnel getting out of a payday loan treadmill
- affluent members of our community who support our mission

At the end of 2010, we had 1,015 members, 78% of whom are low-income. Through a high-level of customer service and relationship, we're able to serve their needs and manage our risk in a way that no other credit union is willing or able to do.

Community Development

We have a strong record of providing community development impacts with our financial services. Nearly 80% of our accounts are owned by our low-income members. Our financial literacy training programs have served hundreds of people. Our mission has leveraged millions in investment, grants and deposits from private foundations, banks and other credit unions and the Federal government.

Loan portfolio

Tulip is exceptional at lending to low-income individuals. At year-end, our loan portfolio was just over a \$1 million. The ending loan portfolio balance is lower than it was in 2007 for several reasons.

We have seen an increasing majority our loans are smaller and made to our low-income members. 87% of our borrowers are low-income; our borrowers' median income is \$26k or "Very Low Income." We do a quarter of our lending to the very bottom of the income scale and the majority to the bottom of it.

Tulip is filling a tremendously important niche.

Staff

Tulip currently has 1 full time Manager, Johna LaRue, and 1 part time Member Services Officer, Tiffany Fox.

Our mission is *to inspire partnership, which reduces poverty by moving low-income people from debt to asset building through education, services and access to capital at fair rates.*



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The following are confidential, true stories about our members, collected by Tulip Manager Johna LaRue in 2010.

Small Steps to Big Savings.

A member first came to Tulip looking for help to pay bills. She was preparing to go on maternity leave from her work and was worried about paying rent during that time. Tulip was able to look at employment and rental history to provide her with a first-time lenders loan of \$250. This small step established credit history, a relationship with the credit union and gave her the buffer she needed to get by with less worry during the leave. She successfully paid the initial loan and just this month, Tulip refinanced a \$14,000 auto loan from an expensive lender down from a 26% to 11.25% interest rate. This refinancing of interest rates meant very real savings to her and her family. The monthly savings were nearly \$80 and overall interest payments totaling \$5,000 versus \$14,000.

Second Chance on the Only Automobile.

A member came to us about three years ago, desperate because her car had been repossessed and she needed it for work. She was behind on her car payments and with the towing and fees, she was not able to come up with the funds and the current lender was uncooperative. She heard about Tulip and applied for an auto loan hoping that something could be done. This member did everything asked of her: phone calls, paperwork, financial information, and totals from all parties involved. Tulip was able to refinance her auto loan using the value in her car (which was less than \$4,000). This was enough to get the vehicle out of repo status and allowing her to stay employed.

Small Business Owner with Credit Issues.

A member came in for a personal loan, but was denied due to poor credit. He had recently opened his own small business and was looking for funds to pay bills until things got off the ground. Tulip's staff discussed the possibilities around a share-secured loan or a loan secured or guaranteed by a shareholder's savings account. In this case someone lends the individual the money to be on hold in a share (i.e., savings) account. Then, the original lender can receive the funds back at the end of the loan's term. This way friends or family can assist without actually giving away their own money, which helps the borrower get accustomed to making payments on a structured debt. The member's family was more than willing to help in this circumstance because this loan would be reported to credit bureau and would clean up his credit.

Steadily Employed but Overwhelmed by Payday Loans.

Tulip recently worked with a member who had been heavily involved in payday lending resulting from some unexpected bills. This individual was in the medical field and steadily employed and working hard to pay off all the payday loans. Unfortunately, she was in too deep and nobody would help her. Tulip was able to give her a personal loan of \$2,000 which got her out of the payday cycle. This one step saved her over \$500 a month!

Our mission is to inspire partnership, which reduces poverty by moving low-income people from debt to asset building through education, services and access to capital at fair rates.