



## **Board Meeting**

**4.19.2011**

### **Attendance:**

Jayne (Staff Rep), Fern (notes), Harry (facilitator), Rob Richards, Rochelle, John Regan, Joseph, Eric, Josh, Erin

**Absent:** Cezanne

### **Agenda**

#### **Announcements**

**Mission statement / Agenda Review / Commitments Review**

**Member Comment**

**BPC Report**

**Co-op Conversation Update**

**Expansion (Vision and Hours)**

**Retreat Planning**

**Committee Reports**

**Finance**

**Personnel**                    *Executive Session*

**CECOSESOLA Presentation**

### **Announcements**

Today is Eric's birthday and he will be leaving early

Feb minutes need to be consented to tonight

Cezanne is sick.

### **Commitments Review**

- Jayne will work on a retreat plan.    **Yes, see later in agenda**

### **Minutes Review**

The Board reviewed February 16th 2012 minutes.

**Stand Aside** - Rochelle, John R

**Consent**

## **Member Comment**

*Joel Hansen* – member volunteer, urged the board to look into the Olympic Outfitters location on fourth and Adams that is for sale/rent as a third location for the Co-op. He has talked to many people about this idea, from homeless residents to city council members, and they love it. The city has approved a new parklet for the artesian well lot, and he thinks a co-op on fourth and Adams could be the heart of downtown. TULIP would love it too. Every bus would have access instead of only two lines that service the Eastside. He urges the board to explore the possibilities.

*Anthony*- he also is very supportive of the Olympia Outfitters building. He participates with the Village Building Conference, which has been working on the artesian well parklet. He called the number advertised on the building and reports that the owner is interested in talking about it. He asked the Board if it is okay if he makes a petition asking members if they ‘would you shop at a downtown co-op’. The Board pointed out that the Board’s permission is not required to start a petition.

## **BPC Report**

*EMAIL REPORT WAS READ AND ATTACHED BELOW*

*Hello board, Mo here for BPC. I am not purposefully trying to avoid making a personal appearance for this report but find myself tired and hungry when the 5:00 hour rolls around, so I'm sending in an electronic report this month as well...please feel free to email me or any other BPC member with questions or concerns or ideas for what you would like to know about as part of these reports.*

*Over the last month, the staff has been mostly focused on training and some development work. We had the six new staff start on April 1st, and received a wonderful staff report from Ale and Emily about the Cecosesola exchange at the last staff meeting. That meeting also included an hour to give feedback about expansion, and some time to work further on possible changes to our Emergency Leave Fund policy, although nothing was decided on that for now.*

*This week, many staff were able to attend an informative training on Disabilities Awareness. Our recent department meetings have included time to further develop and make commitments about work plans, as well as closer looks at recent sales trends and progress on how to understand Sales per Labor Hour data, which is new for us this year. Upcoming meetings will continue to allow time to absorb and offer feedback on how different labor areas could respond to changes in their SPLH figures. Additionally, departments have begun to plan for our first round of group evaluations in the coming months, which will bring up all sorts of ideas for what we do well and what we could improve.*

*Again, feel free to contact me with any questions!*

## **Co-op Conversation Update**

## CO-OP CONVERSATION/BUDGET

*I believe Erin will be bringing us a proposal from Member Relations Committee about their facilitator and budget. This is an overview of the current line item and labor hours used for this project:*

*Labor hours were budgeted at 36 hours (total) which somehow never made it into the final budget, leading to an actual budgeted amount of 0. Roughly 211 hours were claimed for facilitating this process. (This number does not include the 39 hours used by other staff to attend the Conversation meetings, nor does it include the 2 hours per week of MRC time allotted to staff, both of which are separate.) This labor budget is overspent by about 211 hours, or \$3568.*

*\$10,515 was added to the Board budget for Co-op Conversation costs (including Bob Davis' fees, room rentals, etc.) Roughly \$6713 has been spent, leaving about \$3802.*

*In past situations, we have reconciled the labor budget by expensing it to the line item.*

Staff Member Joanna attended to present this item. The Third phase of the conversation has taken place. Upon looking at turnout for each stage of the conversation, they realized few staff were present. They want to get specific staff feedback on implementation of data from the conversation via a staff engagement process which would take place in three separate meetings. Bob and Joanna would facilitate. Bob has quoted \$1200 for the Staff engagement process.

The project is over budget already because there have been additional labor costs. There have been concerns about the overall cost and some do not want to hire Bob for the staff engagement. MRC has decided that this is a Board decision because it is a Board budget item. Joanna personally is interested in hiring Bob as “a consistent lens that has been present to all the events would be good”, and neither Keziah nor Joanna are interested in writing the subsequent reports. Members on the committee see pros and cons to both options. Feedback from the first three conversation meetings about Bob's facilitation included 5 -6 comments that were negative, but he was rated excellent overall in feedback forms.

Jayne added that she is unconvinced that we need to hire Bob for the Staff process and asks whether he can do the analysis from the notes? *I don't know, it's a possibility and we have not asked him. For Joanna personally being present is different from reading notes. Erin adds that the last time the MRC met, they spoke about wanting a continuous string that carried throughout the process. The committee is concerned that information would get lost without him in the final portion.*

Jayne asks whether the \$1200 includes travel, room and board, and per diem? *It would be an additional charge above the \$1200.*

Rochelle adds that she does see the importance of having him there, and asks if the price would change if he attended but did not facilitate? *Joanna notes that they have asked him to decrease his estimate; they agreed that it would be bizarre to have him attend but not participate.*

Will this information become part of the Board's strategic plan?

Rob asks whether there is a clear recommendation from the committee. He also is unclear on how much more it is going to cost. He requests clarity. *The recommendation is that Bob and Joanna should do the facilitation, and the total cost will be \$1200 plus room and board, travel, and per diem,*

Eric asks what the cost is relative to having all the staff attend. *Staff hours will come out of the extra pay budget.* Eric is concerned that he will lose staff buy-in if Bob is involved in facilitation. *Joanna knows of a least three staff people who are not enthused about him facilitating.*

John has a concern that when someone comes in and is involved in designing and participating in the process, and then goes away and does the analysis, the results are sometimes not relevant to the organization. Should the analysis be done first so that the Board and staff can critique it and submit feedback which he can use to rework the final analysis? *Erin answers that in the original plan that the MRC and Bob would write the analysis, and submit it to the Board. But because a lot of staff did not attend the first meetings, they thought adding a staff-focused process would be a good way to do that.*

### **Proposal-**

**The member relations committee recommends that we hire bob Davis for the staff engagement process and to co facilitate the meetings with Joanna, for 1200 dollars and expenses to be funded from the board budget.**

**Stand aside-** Rob, Jayne

**Consent**

### **Retreat planning**

Jayne gathered feedback about the retreat and noted that it is difficult for many Board members to attend an overnight without their families but that an overnight that included everyone's families would be very hard on the budget. The Board agrees to June 23 & 24<sup>th</sup>. Jayne will find a location nearby.

- ***Jayne will send out more information via email***

### **Committee Reports**

***Finance*** – Sales are strong through the end of March. They thought they had a crisis when the accountant tripled their fees. They got two new quotes from different accountants, with one coming highly recommended from other co-ops. Everyone is thrilled and on board with the recommendation.

*'To the Board:*

*I'm going to keep a long story short. We contracted with Frost and Company to conduct our 2011 Financial Audit for \$17,000. They came to us a couple of weeks ago and told us it was more work than they originally anticipated and the audit would cost \$40-\$45 K.*

*The Finance Committee met and brainstormed some options. Corey and I were able to get 2 more quotes and at this point would like to propose that we contract with Bruce Mayer from Wegmen CPA in Madison WI.*

*They have extensive Co-op auditing experience and are currently working with Food Front in Portland among others. They also had the cheapest quote: \$16K*

*I will explain details and answer further questions at the Board meeting.*

*Thanks,  
Harry*

### **Proposal-**

**We hire Bruce Mayer from Wegmen CPA out of Madison Wisconsin for the audit Consent**

***Farm and food products-*** met Tuesday and discussed different directions, a program that they conceived last year to create a sticker for restaurants that participate in the local farm program. They are planning a gathering in August for farms and producers to discuss farm labor standards and trends in the market. Committee members are pursuing various ideas/projects.

***2012-*** continuing to work on the conference planned for June. People are pinning down presenters and are doing budget work and outreach. Evergreen is putting up a thousand dollars for bilingual translation, and the Flaming Eggplant matched the Co-op's \$500 donation.

***Outreach-*** is working on branding and implementation.

### **Expansion**

*The Expansion Committee proposes that the Board direct the Finance Committee to create a plan to allocate 275 labor hours to the Expansion Committee for their work this year.*

*The Board consented to an "Expansion Revival" proposal in late 2011. This decision re-formed the Expansion Committee with the purpose of exploring new expansion options in a staff-focused way, with special emphasis on exploring options on the recently purchased properties. The proposal called for a committee consisting of the Expansion Coordinator (Fern), a staff-member-at-large (currently Dan), a member of Facilities (MJ) and a Board member (Rob.)*

*Unfortunately, the supporting proposal to the staff during the budgeting for 2012 did not ask for additional hours for this work, leaving us with a sort of "unfunded mandate". Furthermore, Jayne has joined this group as a facilitator, which has been helpful in keeping the work moving through our short, jam-packed work plan.*

### ***Hours Request Breakdown***

*Currently, Fern has 2 hours of allotted time as the Expansion Coordinator. MJ can use some of her facilities hours, but they won't cover all of her work with expansion. Jayne can use some of her Board Rep hours (roughly 1.5 per week will be unused after Harry begins using some to facilitate Board meetings). Dan does not have time allocated to this.*

*We meet once a week for 1.5-2 hours, and do work outside of meetings. We estimate that we will need a total of 3 hours (+/-) per person, per week, for the rest of the year. The additional hours we need are:*

*Fern: 1 hour per week*

*MJ: 1 hour per week*

*Jayne: 2 hours per week*

*Dan: 3.5 hours per week*

***Proposal: This will equal roughly 275 hours for the rest of this year.***

## **Consent**

### ***Board Visioning brainstorm:***

Jayne gives an overview of the Zingermann's visioning practice and asks the Board to brainstorm descriptions of our organization in the year 2020.

- Sprouted a variety of co-ops w/ community identified needs
- Larger storerooms for kids in aisles
- Smaller down town store, lunch and small selection
- Wider awareness in low-income communities
- Labeling about corporate businesses
- In store signage about local
- Welcoming to all types of people and cultures
- Juicy, lush, fresh, family friendly
- Social justice into action plans
- Connecting food sources to institutions and schools
- Bustling Neighborhood stores
- Produce stand side walk deli window
- Food production facility shared by multiple local brands
- Warm well lit soft lighting, new floors, upbeat and attention to tiny details
- Co-op childcare
- Establishment of restaurant or mobile restaurant
- Aggressive awareness to membership (tripling membership)
- Co-op 101 at local universities and public awareness
- Co-op mini mall
- Large deli
- Bigger store

24 hour service  
very friendly staff  
Space to feed other wise wasted food for homeless  
Reusable glass containers, square, made for co-op, returnable, for locally produced foods  
from certified kitchen, moving from processed to prepared foods

**Personnel -**

### ***EXECUTIVE SESSION***

#### **CECOSESOLA**

‘Thank you’ from Emily and Ale for supporting this exchange. They both feel incredibly grateful and honored. They also feel strongly that the experience be accessible to everyone and are working on several upcoming events. They are continuing to work on the conference to celebrate the year of the co-operative. They also presented a slide show and talked about the similarities and differences between our co-op and theirs.

*Some notes from the slideshow:*

The workers of Cecosesola refer to their work as the movement; they talked about it in the sense of looking at their work as a process in transformation. Their non-hierarchical work is a tool for spreading and sharing power and is process of transformation.

They have formalized systems around products, whereas at OFC we have formalized systems around workers. (The latter happens as needed at Cecocesola.)

The process of the collective is considered the most important work; the stores are closed several days a week and staff can meet.

They have published a series of books about education, Venezuela’s co-operative law, collectivism, and natural medicine.

Education is grounded in reflection and integration. They see themselves as the community and take to heart the process of education.

Consumers are active and informed members of the community. Music, lectures and speeches are often played at the market. They have a school where their admin offices are, as well as dorms that house people from co-ops in Venezuela and abroad. People come to learn.

They operate several huge, Costco-sized warehouse-style markets, plus other community-inspired busienses. The hospital is the most beautiful building with plenty of fresh air. The services vary from allopathic to naturopathic, a birth center, and even some surgeries.

Vertical integration and producer co-ops are central to the structure. Instead of replication, they see expansion through the co-op movement and the needs of the community. They are interested in creating human relationships instead of business relationships. The producers attend meetings; they strategize and share resources with other producer co-ops. They meet with Ceceosesola about pricing, which is “agreed upon, not negotiated”. They share and cover costs to keep products accessible to the community. They have ultimate confidence in each other and the shared experience. They share food together and play together. It is not expected to be built organically and something that is consciously built by CECOSOLA. Wages are double the normal minimum wage.

### **Commitments**

- *Jayne will send out more information about the board retreat via email*

### **Next Meeting**