

Board of Directors Meeting

June 14, 2006

APPROVED

Ashland Food Cooperative
237 North First Street
Ashland, OR 97520

Board members present: Erik Wallbank, Joe Golton, Richard "Ric" Sayre, Gwyneth Bowman. Absent: Serena St. Clair, Herb Heiman. Staff present: Richard Katz, General Manager; Annie Hoy, Outreach/Owner Services Manager; Leslie van Gelder, Board Assistant, Irina Doty, employee Owners present: David Allen, Franklin Ross,

The meeting was called to order at 5:30 p.m. by facilitator, Erik Wallbank.

1. Check In: Done.
2. Announcements: Erik read the draft of the new owner forum policy. Leslie showed off the new laptop. Board agreed that a check out system for the laptop needs to be developed. Richard announced that patronage refund checks were sent out on Monday and that ballots would be going out this week, also.
3. Agenda Review: The agenda was reviewed, amended and accepted.
4. Owner Forum: The new policy on owner forum was reviewed and accepted by the Board (see attached). David Allen, one of the candidates for the Board, introduced himself. Franklin Ross spoke and asked if the Board had considered his request last month that the Co-op support a citywide no spray ordinance of herbicides and pesticides and restated his concerns about deli service and the availability and quality of the food. Richard offered to meet with Franklin regarding his concerns about the deli. Erik Wallbank will contact him regarding the no-spray issues.
5. Staff Council: No staff council present at this meeting.
6. Vision Statement: Richard met with the Management Team to review the vision statement drafted by the Board. Their version is:

Ashland Food Coop Vision

- Joyfully working together
- Delighting shoppers
- Enhancing health
- Enriching community

Gwyneth would like the Board to review this new version and then have Richard take it to the rest of the staff. The Management Team also agreed to an addition to the beginning of the mission statement: "Guided by the International Cooperative Principles."

The Board asked that the draft of the Coop Vision and the proposed addition to the mission statement be handed out at the annual meeting for comments and the approval of the owners. Ric will enter the draft vision in the staff log for staff comments.

7. Next Owner Survey: The Growth Committee requested that we get feedback from owners regarding store growth to aid them in making decisions. A recommendation was made that focus groups may work better than a survey. Annie and Richard will do some research about surveys and bring it back to the Board at the next meeting in July.

8. Nomination of Officers: The draft of the "Nomination and Election of Officers" policy was read, and changes were suggested by the Board. The Board asked that in future years, the Board Assistant collect the statements from nominees, though this year the statements will come to the Board president. The Board approved the revised policy (attached) and decided to add the implementation of this policy to the Secretary's duties.

9. Role of Managers, Staff Director and Staff Council at Board meetings:

The Board discussed the roles of Staff Council and Staff Director and decided that Staff Council will attend meetings as an observer, except when invited by the facilitator to participate. The Board also agreed that the Financial Manager will be requested to attend Board meetings when needed to present financial reporting or budget items and will be available to respond to questions from the Board. The Outreach Services Manager is requested to attend all Board meetings and to participate in discussions involving owners when requested to do so by the facilitator.

10. Job Description for Staff Director: Ric sent out a draft job description to the Board and received their input. The Board asked that the relationship between Staff Director and Staff Council be determined as part of the job description. Ric agreed to meet with Staff Council and the Human Resources Manager to come up with suggestions to be presented at the next meeting. The Board asked the Staff Director to assist the Staff Council in developing a Staff Council job description to be presented to both the staff and the Board.

11. Orientation Procedure for new Board Members and Vice President's job description: A draft outline of a procedure to orient and educate new Board members was introduced to the Board. Annie Hoy requested that an introduction to Cooperative principles and what the job responsibilities of a Co-op Board member are be added to the orientation.

12. Meeting Manual: The Board approved the addition to our Vice President's Job Description to add: 4. "Provide new Board members with an orientation to their duties and a Board manual." Gwyneth proposed developing a smaller meeting manual for Board minutes, reports, and policies necessary for use at meetings and a reference manual with other documents to be kept at home. The Secretary and board assistant will develop a process for keeping manuals updated.

The Board agreed unanimously to change references to the "Supervisory Committee" in the Vice President's and President's job descriptions to "Management Relations."

13. Change to Management Relations Committee general charter: Joe presented a proposal to the Board that the Treasurer be included in the Management Relations Committee when the General Manager's compensation is discussed.

The Board amended the Treasurer's job description on #6 "Work with General Manager and the Management Relations Committee on General Manager's compensation issues (as directed in management relations committee charter)."

The Board added to the Management Relations Committee general charter the following: "6. Review the General Manager's compensation package annually, and bring proposals to the Board."

The Board also changed the second item in the charter of the Management Relations Committee to read, "Assure that board policies and directives that the General Manager is responsible for are carried out."

14. Board Food Policy and Stipends: The Board Food policy was reviewed. The Board discussed stipends for board members and officers and decided to send a proposal to the members to amend the By-Laws to link Board and officer stipends to the Consumer Price Index (CPI) next year before the annual meeting.

15. Social Responsibility Committee: Who will be on it? Our new Social Responsibility Charter states that Committee membership be made up of at least two board members, two members of the management team, an employee who is not part of the management team, a local vendor, and up to two owners. A discussion followed about how many non-Board committee members would receive a 15% discounts? A decision was made to review all committee member 15% discounts at our next meeting. Joe will bring his analysis of the cost of discounts to the next meeting.

Joe also requested that the Board Development Committee take on the responsibility of getting out announcements for non-Board positions on committees, accept applications, etc., since the responsibility for those tasks is not spelled out in the current policy, "Guidelines for Recruitment, Selection, and Compensation of Non-Board Committee Membership."

16. Conflict of Interest: The Board agreed not to draft a policy defining conflict of interest at this time, following the advice of legal counsel. They also recognized that in some situations, where there might not be an actual conflict of interest, a conflict might be perceived by owners.

17. General Manager Report: Richard answered questions from the Board about his May report which was previously emailed to the Board. The new staff handbooks were passed out, and the Board requested that the board assistant be responsible for receiving updates to the handbooks to pass on to the Board.

18. Minutes Review: The Board reviewed the minutes for May and accepted them with corrections.

19. Meeting Evaluation: Done

The meeting was adjourned at 9:30 pm.

The next regularly scheduled Board meeting will be on Wednesday July 12, 2006 at 5:30 p.m. with Erik Wallbank facilitating.

The GM report and Committee reports are available on request.

BOARD ACTIONS:

- A policy on owner forum was reviewed and accepted by the Board (attached to minutes)
- The Board approved the revised policy on the "Nomination and Election of Officers (attached to minutes) and decided to add the implementation of this policy to the Secretary's duties.
- The Board approved the addition to Vice President's Job Description to add: 4. "Provide new Board members with an orientation to their duties and a Board manual."
- The Board agreed unanimously to change references to the "Supervisory Committee" in the Vice President's and President's job descriptions to "Management Relations."
- The Board amended the Treasurer's job description to add #6. "Work with General Manager and the Management Relations Committee on General Manager's compensation issues (as directed in management relations committee charter)."
- The Board added to the Management Relations Committee general charter the following: "6. Review the General Manager's compensation package annually, and bring proposals to the Board."
- The Board changed the second item in the charter of the Management Relations Committee to read, "Assure that board policies and directives that the General Manager is responsible for are carried out."

The minutes were amended and approved by the Board on July 12, 2006

Ashland Food Cooperative
Board of Directors
Owner Forum Policy

1. Fifteen minutes is allotted for owner forum at Board meetings. The time can be extended by the board.
2. Five minutes total will be given for owners to present on a single item. If a group of owners come to the meeting, to address one subject, they can appoint a spokesperson. If more than one owner wants to speak on the same subject, they can have 3 minutes each, as long as the owner forum does not exceed 15 minutes, and each owner has something new to present.
3. There is to be no dialogue with the board during owner forum. Owners could be offered a meeting with the GM and/or with a representative of the Management Relations Committee for a concern that needs a response. Owners could also be offered a written response if they prefer.
4. The rules for owner forum will be passed out to owners at the beginning of each meeting. Rules would also be posted on the Owner's bulletin board at the entrance to the Co-op.

Ashland Food Cooperative
Board of Directors
Nomination and Election of Officers

1. After the slate of board members is elected, any board member wishing to be considered for a board office will submit the following by email to the board assistant to be received at least seven days before the July Board meeting:
 - a written statement indicating which board office is being sought
 - why the board member wants to serve in that office
 - what qualifications the board member has for the position
 - and what the board member hopes to achieve while serving in the position
2. At the July meeting the Board will vote for officers, using secret ballots which will list the nominees and will include a box for "None of the Above" for each position, even if only one person is running for office to allow for a vote of no confidence.