

Medford Food Co-op Board of Directors

March 17, 2014

Present: Pres. Jim Sims, Secretary Debi Boen, Ben Truwe, Fran Batzer, Kellie Hill
Absent: Vice Pres. BJ Buxton, Treasurer Justin Botillier
Staff Present: GM Anne Carter
Guest Present: Member-Owner David Lively

REPORTS

The March Medford Food Co-op Board of Directors (**MFC BOD**) meeting was called to order at 6:00 p.m. Individual Board members were introduced to guest David Lively.

Minutes of the Feb. 17, 2014 **MFC BOD** meeting were submitted. **Ben Truwe** moved to approve the minutes as submitted; **Debi Boen** seconded the motion, which passed unanimously.

Due to the absence of **Treasurer Justin Botillier**, **General Manager Anne Carter** provided a **MFC** financial overview. February, 2014 sales were lower than January, 2014; this is at least partially due to the fact that there are fewer days in February. Sales growth has already increased since the end of February (from 2.6% to 3%). In spite of some unexpected and unbudgeted expenses (electrician prep for new coolers, and **BOD** Policy Governance workshop expense), overall expenses for February were 1.3% lower than budgeted.

There was no President's Report or Owner's Forum this meeting.

GM Carter submitted and presented her written report, with updates in the areas of ownership, marketing, outreach, and operations. National Cooperative Grocers Association (**NCGA**) Development Advisor Paula Gilbertson will visit on April 1-2, to complete an assessment of **MFC**, and to assist with plans to improve store margin and increase production and sales of grab-n-go foods. **MFC** is increasing its participation with the local campaign to pass the family farms measure (15-119) in the May 20, 2014 election. Several store-level staff changes are anticipated in the near future; interviews are currently underway.

OLD BUSINESS

MFC BOD compared the existing **BOD** Code of Conduct to the Directors' Code of Conduct in the Policy Governance Register. **Ben Truwe** (**Kellie Hill** second) moved that bullet points 4 and 8 from the existing C of C be added to the Register C of C (C-5); a copy of the **Directors' Code of Conduct** is attached to these minutes. In a related motion, **Kellie Hill** (**Ben Truwe** second) moved that the **MFC BOD** ratify the MFC Policy Register. Both motions passed unanimously.

Discussion of proposed Committee Charters was tabled until the April meeting.

NEW BUSINESS

After extensive discussion and Bylaw research, **Ben Truwe** (**Fran Batzer** second) made the following motion: *The 2014 Medford Food Co-op Annual Meeting shall be held on Sun., June 8, 2014; petitions for a position on the BOD must be submitted (with the required 15 owner-member signatures) by April 24, 2014. Candidate bios/pics for the ballot must be submitted by May 1, 2014; an absentee ballot will be transmitted to membership by May 8, 2014. Balloting will also occur at the Annual Meeting, when all ballots will be tallied.*

The March GM Monitoring Report concerned Policy B4, Membership Rights and Responsibilities. **GM Carter** reported non-compliance with the following sections of this policy:

- Owner awareness of rights and responsibilities
- Implementation of a patronage dividend system

Carter's written report details interpretation, operational definitions, and supporting data for each area. She detailed plans for increasing owner awareness of rights and responsibilities (including changes to the Annual Meeting and election balloting process, and member-owner access to the Bylaws [via website]), and implementing a patronage dividend system (a system shall be in place by the end of 2014). At the Board's suggestion, **GM Carter** also agreed to add a summary of owner rights and responsibilities to the website.

ACTION LIST

<u>Target Date</u>	<u>Item</u>	<u>Director</u>
04-20-14	Read proposed Comm. Charters	All
Post-tax-season	Coordinate with GM to prepare BOD Budget	Justin
04-24-14	Deadline, Candidate Petitions (with 15 Signatures)	Anne/Staff
05-01-14	Deadline, Candidate Bio/Pic Submission	Anne/Staff
05-08-14	Deadline, Ballot Pkg., Absentee ballots transmitted	Anne/Staff
05-09-14 to 06-01-14 (7-30 days)	Announce AMtg to all membership	Anne/Staff
06-08-14	Annual Meeting/Election	All

ADJOURNMENT

Kellie Hill moved to adjourn the meeting at 7:55 p.m.; **Ben Truwe** seconded the motion, which passed unanimously. The next regular **MFC BOD** meeting is scheduled for Mon., April 21, at 6:00 p.m. at the law offices of **Pres. Jim Sims** (225 W. Main, Medford). Members-owners, staff, and the public are welcomed and encouraged to attend; snacks available. The Finance Committee will meet before the March 17 full Board meeting.

Respectfully Submitted,

Debi Boen

Policy Type: Board Process
Policy Title: C5 – Directors' Code of Conduct
Last Revised: **Medford Food Co-op: March 17, 2014**

We each commit ourselves to ethical, businesslike and lawful conduct.

1. Every director is responsible at all times for acting in good faith, in a manner which she/he reasonably believes to be in the best interests of the Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
2. Directors must demonstrate unconflicted loyalty to the interests of the Cooperative's owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interest of any director acting as an individual consumer or member.
 - a. There will be no self-dealing or any conduct of private business or personal services between any director and the Cooperative except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
 - b. When the Board is to decide on an issue about which a director has an unavoidable conflict of interest, that director shall disclose any potential or current conflict of interest, as stated in the ByLaws, and shall abstain from the vote.
 - c. A director who applies for employment must first resign from the Board.
 - d. Any director who is also a paid employee has the same duties and responsibilities as any other director, and has the additional duty of clearly segregating staff and Board responsibilities. Any director who is also a paid employee will resign from the Board if and when their employment ends.
3. Directors may not attempt to exercise individual authority over the organization.
 - a. When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.
 - b. When interacting with the public, the press, or other entities, directors must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.
4. Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
5. Directors will prepare for and attend all Board meetings and trainings.
6. Directors will contribute to and encourage open, respectful, and thorough discussions by the Board.
7. Directors will be honest, helpful, diligent, and respectful in dealings with the Medford Food Co-op and with other Directors
8. Directors will support the legitimacy and authority of the Board's decision on any matter, irrespective of the director's personal position on the issue.
9. Any director who does not follow the code of conduct policy can be removed from the Board by a 2/3 majority vote of the remaining Board.