

**Open Harvest Cooperative**  
**Board of Directors Meeting Minutes**  
**Wednesday, April 5, 2017, 6:00 – 8:00 p.m.**  
**Two Pillars Church, 1430 South Street, Lincoln, Nebraska**

**Present:** **Board Directors:** Brandé Payne (Board Chair), Megan Jackson (Vice Chair), Mary Hansen (Secretary), BJ Birkel, Ross Brockley, John Christensen, Barbara DiBernard, Bob Hutkins. **Staff Members:** Amy Tabor (General Manager), Brian Furby, Joe Norseen, Paula Shafer (Board Administrative Assistant). **Member-Owners:** Matt Pirog, Eastlyn Wright

**Informed**

**Absence:** Ellen Dubas

**6:03 PM** **Welcome, Introductions, Announcements:** The Chair called the meeting to order and welcomed Directors, staff, and Member-Owners. She informed attendees that a short confidential Board executive session would be held mid-meeting and that all attendees other than Directors, GM and Board Administrative Assistant would be asked to step out of the room. The attendees then would be informed when the confidential session ended so that they could return for the remainder of the regular meeting.

**6:05 PM** **Approval of March Meeting Minutes and April Agenda:** The Chair presented the draft March Board meeting minutes and the April agenda for approval.

**Consensus Items:** The Board approved the March meeting minutes and the April agenda.

**6:06 PM** **Reserved Member-Owner Comments:** None.

**6:06 PM** **General Manager Monthly Report:** The GM discussed the monthly report which was available electronically to the Board prior to the meeting. The GM reported updates since the report was written, including that the food service manager resigned and a replacement was hired, the Co-op buying guidelines were revised with the development of the new Local Vendor Packet and are available on the Co-op's website, and that several financial indicators are trending positively.

**GM Follow-up Monitoring Report on Non-Compliant Policy E--Global Ends:** The GM discussed the report that was available electronically to the Board prior to the meeting. With the improved financial condition, the completion of the Local Vendor Packet, and upcoming revisions in the Global Ends Policy, the GM asserted compliance.

**Consensus Item:** The Chair asked that the Board accept the monitoring report on E—Global Ends Policy as compliant. The Board accept the report as compliant.

**L6—Staff Treatment and Compensation Policy Monitoring Report:** The GM reviewed her L6 monitoring report which was available electronically to the Board prior to the meeting. The GM reported non-compliance in L6.2 and L6.3 and outlined a plan to achieve compliance, including:

L6.2. Cause or allow personnel policies to be inconsistently applied.

- The GM will create a “note to personnel file” form to be used in addition to other existing HR forms found in personnel files. This fully completed form will ensure consistency in

recordkeeping. The form will be in use by the end of April 2017.

- The GM will create an HR Manual for training managers by the end of the first quarter of fiscal year 2017-2018.
- The GM will implement an annual HR refresher training for Managers and a more comprehensive on-boarding manager training program by the second quarter of fiscal year 2017-2018.

L6.3. Provide for inadequate documentation, security and retention of personnel records and all personnel related decisions.

- Complete the compliance plan for L6.2.
- Clarify the role of the current Finance Manager as a true independent contractor; have a contract signed and in place by May 2017.
- Include COBRA notice upon enrollment as soon as possible.
- Include an HR file retention policy in the new HR Manual.

- 6:32 PM**     **Executive Session:** The Board entered into executive session, discussed confidential sections of the L6 monitoring report, and then reconvened into regular session.
- 6:50 PM**     **Receipt of Reports:** The Chair requested the Board acknowledge receipt of the GM monthly report and the L—6 Staff Treatment and Compensation monitoring report with a compliance plan for non-compliant areas. The Board acknowledged receipt of the reports.
- 6:51 PM**     **Policy Revision Discussion: L3—Asset Protection Policy:** The Chair asked if there were any suggestions for revision of the L3—Asset Protection Policy. There were none.
- 6:51 PM**     **Board Operations Committee Report: Board Budget Planning, May BOD Meeting:** The Chair and Vice Chair sent a request for scholarships to attend the CCMA conference. The Vice Chair suggested that attending the conference be prioritized and included in the Board’s budget in coming years. This will be discussed at the May meeting. In compliance with succession planning, the Vice Chair will lead the May Board meeting. The Chair said she will email a self-evaluation to each Director and asked that all evaluations be completed by May 1.
- 6:55 PM**     **Finance Committee Report: Update on Co-op Financial Checks and Balances:** The Finance Committee met and reviewed a report from the GM describing the Co-op’s financial chain of command and financial checks and balances. The report was available electronically for the Board prior to the meeting. The Committee plans to meet in April to discuss the third quarter financial report.
- 6:56 PM**     **Member-Owner Engagement Committee: Board Elections Update, Retreat Member-Owner Engagement Activities:** The Meet and Greet session for the candidates in the Board election will take place on April 8 at the Cottonwood Café from 3 – 5 p.m. The election will be held from April from 16 through 29. Directors were encouraged to be present in the store during the election period to encourage Member-Owners to vote. In an effort to improve participation, an additional ballot box will be placed in the store. The Committee met and began work on tasks agreed upon at the board retreat. A report will be finalized and presented at the May Board meeting. An article on member owner engagement recommended by Marilyn Scholl will be used for a future Board strategic discussion.

**7:06 PM**     **Liquor License Task Force Report: Update on Progress:** The GM met with the Executive Director of the Lincoln South of Downtown and an owner of Zipline Brewing Co. Both support Open Harvest efforts to obtain a liquor license. They plan to meet with members of the City Planning staff to discuss standards for obtaining waivers for liquor licenses.

**7:10 PM**     **Policy Revision Discussion: E—Global Ends: Final Draft for Approval in May:** The Board reviewed and discussed four draft options of the Ends Policy that were made available to the Board electronically prior to the meeting. There was no consensus. Further discussion amongst the GM and Directors with take place via email in order to present a final draft policy for approval at the May Board meeting.

**7:10 PM**     **Board-Management Relationship—M Policies Review: Postpone until May BOD Meeting:** The Chair asked the Board to approve postponing the discussion of the M Policies until the May Board Meeting. The Chair reminded the board members to review their assigned M and send a brief written report in advance of the May board meeting.

**Consensus Item:** The Board approved postponement the review of the M Policies until the May Board meeting.

**7:25 PM**     **GM Review Committee: Approve Charter, Review and Approve Process:** The Chair discussed the GM Committee charter which was made available electronically prior to meeting. She explained that the GM review process is separate from the negotiation of the GM employment contract. While the review and contract have been completed at the same time each year in the past, the Committee proposed that the two be separated and occur on two-year cycles. Beginning this year, the employment contract would cover a two-year period. Reviews will take place this year and next and then begin occurring on a two-year cycle. In addition, the Committee proposed changing the process for negotiating the GM employment contract. The Committee would issue a request to the GM to prepare a compensation proposal for review and approval. The proposal would need to address the following expectations and limitations:

**Expectations and Limitations:**

1. The plan should run from July 1, 2017 through June 30, 2019.
2. The plan should be specific to fiscal years 2017-2018 and 2018-2019.
3. The plan should be affordable and sustainable for the Co-op.
4. The plan should be in scale to the compensation plans of the other managers employed by the Co-op.
5. The plan should be easily and objectively measurable/calculable.
6. The plan should consider the complete compensation package and may include base salary, bonus structure, benefits, deferred compensation, vacation, etc.
7. The plan should take into account the salaries of other comparable co-ops in our corridor.

This approach would allow the GM to both review the Co-op’s budget to ensure that the compensation is affordable and to request a satisfactory and incentivizing compensation amount. The Chair invited all interested Directors to participate in the GM Review Committee meeting on April 24 at 5 p.m. at the home of the Chair.

The Chair presented the Committee charter, the change to the terms for the GM employment contract and the review cycle, and the change to the compensation process for approval.

**Consensus Item:** The Board approved the Committee charter and the change to the terms for the GM employment contract and the review cycle. The compensation process was approved with one Director standing aside.

The GM review and employment contract will be discussed in an executive session in May.

**7:54 PM Review and Set Action Items:**

**Completed Action Items:**

- 3/17—1 The Finance Committee met to discuss the Co-op’s financial chain of command and system of checks and balances.
- 3/17—2 The GM Review Committee met, drafted and presented a process for the GM review process.
- 3/17—3 The Board Operations Committee scheduled for the Vice Chair to chair the May Board meeting.
- 3/17—5 The Chair called the Cottonwood Café, sent a doodle poll to Directors and candidates, and scheduled the election Meet and Greet event on April 8 from 3:00-5:00 p.m.
- 3/17—6 The GM investigated the cost and feasibility of online voting for the Board election, which was determined to be too expensive.
- 3/17—7 Directors were present in the store for Owner Appreciation Day on March 28.
- 3/17—9 The Chair wrote an article about the status of the text amendment for The Dirt newsletter.
- 3/17—10 Presentation of the text amendment to the City Planning Department was postponed.
- 3/17—11 Assigned Directors drafted four options for the revised E—Global Ends Policy.
- 3/17—12 The Member-Owner Engagement Committee met, reviewed the Member-Owner Engagement activities identified at the retreat, and began work on proposed activities and goals for the coming year.

**New Action Items:**

Action Item	Description	Assigned to	Date Opened	Date Due
3/17—4	Meet to review the quarterly financial report.	Finance Committee	3/1/17	5/3/17
3/17—8	Review the Global M Policy and assigned M Policy; write a paragraph for presentation and discussion.	All Directors	3/1/17	5/3/17
4/17—1	Present a revised draft E—Global Ends Policy for Board approval.	Assigned Directors	4/5/17	5/3/17
4/17—2	Present a report on Member-Owner Engagement activities and goals to the Board.	MOE Committee	4/5/17	5/3/17
4/17—3	For 2018 Board Calendar, schedule to form the GM Review Committee in February.	Chair	4/5/17	5/3/17
4/17—4	Complete the Board self-evaluation.	All Directors	4/5/17	5/1/17

4/17—5	Attend the Meet and Greet for Board candidates.	All Directors	4/5/17	4/8/17
4/17—6	Schedule a strategic conversation about the CBLD article on member-owner engagement.	All Directors	4/5/17	6/7/17
4/17—7	Meet to review GM compensation proposal.	GM Review Committee	4/5/17	4/24/17
4/17—8	Discuss annual budgeting for Board attendance at CCMA Conferences.	Board	4/5/17	5/3/17

**8:02 PM**      **Guest Member-Owners' Comments:** None.

**8:02 PM**      **Adjourned**