

**Open Harvest Cooperative  
Board of Directors Meeting  
Wednesday, December 7, 2016 6:00–8:20 p.m.  
Two Pillars Church, 1430 South Street, Lincoln, Nebraska**

**Present:** **Board Directors:** Brandé Payne (Chair), Megan Jackson (Vice Chair), Mary Hansen (Secretary), Ross Brockley, Barbara DiBernard, Ellen Dubas. **Staff Members:** Amy Tabor (General Manager), Brian Furby. **Member-Owners:** Matt Pirog, Skylar Falter.

**Informed**

**Absences:** John Christensen, Bob Hutkins

**Uninformed**

**Absence:** BJ Birkel

**6:00 pm** **Welcome, Introductions and Announcements:** The Chair called the meeting to order and welcomed board members, staff and Member-Owners.

**6:02 pm** **Approval of November Meeting Minutes and December Agenda:** The Chair presented the draft November meeting minutes and draft December agenda for approval.

**Consensus Items:** The board approved the November meeting minutes and December agenda.

**6:03 pm** **Reserved Member-Owner Comments:** None.

**6:03 pm** **General Manager Monthly Report:** The board and GM discussed the GM's report which was available electronically to the board prior to the meeting. The GM reported that sales continue to improve and expenses are being closely monitored. She reviewed the areas of finance, membership, operations, promotions and goal progress.

During the GM's manager's report, the GM and the Chair gave the board a preliminary update on recent developments regarding the possibility of Open Harvest obtaining a liquor license. The discussion later resumed under the Liquor License Update agenda topic; see below. The GM then resumed her regular monthly report.

**6:27 pm** **GM Follow-up Report on Non-Compliant Policies (L1.1, L1.12):** The GM reported that she is continuing to address L1.1 and L1.12 non-compliance with the same plan outlined at last month's board meeting. A review of the plan was available electronically to the board prior to the meeting. Close monitoring of sales, margin, labor and expenses continue.

**Receipt of the GM's Monthly Report and L1.1 and L1.12 Non-compliant Policies Report:** The board acknowledged the receipt of the GM's Monthly Report and the L1.1 and L1.12 Non-compliant Policies Report.

**6:30 pm** **E Policy Monitoring Report—Global Ends:** The GM presented the E policy monitoring report which was available electronically to the board prior to the meeting. The GM identified six measurements of compliance for her monitoring report: strength of financial indicators, growth of member-

ownership, abidance with cooperative principles, offering products for a wide range of shoppers, increasing purchases of local food and products, and benefits to the community. The GM reviewed accomplishments of the last year and prognoses for the future. She asserted compliance in the following areas: growth of member-ownership, abidance with cooperative principles, offering products for a wide range of shoppers, and benefits to the community. The GM asserted non-compliance in the following areas: strength of financial indicators and increasing purchases of local food and products. She outlined her plans for improvement which conforms to the strategies outlined for L1 compliance and emphasizes developing better tools to strengthen local vendor relationships and continued planning.

**6:49 pm Receipt of the E—Global Ends Policy Monitoring Report:** The Chair asked that the GM include monthly updates on her plans for compliance in the E—Global Ends areas which she identified as non-compliant. The Chair asked that the board acknowledge receipt of the E Policy Monitoring Report with the noted areas of non-compliance.

**Acknowledgement of Receipt of E—Global Ends Policy Monitoring Report:** The board acknowledged receipt of the E Policy Monitoring Report with the noted areas of non-compliance.

**6:50 pm Policy Revision(s): L1—Financial Condition and Activities:** The Finance Committee led a discussion of possible L1 policy revisions that was available electronically to the board prior to the meeting. The board reviewed the policy and the proposed revisions. A revised L1 Policy will be presented for approval at the January board meeting.

**7:20 pm Liquor License Progress Update: Reconvene Liquor License Task Force:** The Chair and GM continued the previous discussion regarding the possible liquor license for Open Harvest. The current possibility (Text Amendment to the city code) will be up for public debate at the next City Council meeting. The Chair is planning to attend and advocate on behalf of Open Harvest for a change that would allow the Co-op to apply for a liquor license. However, the expectation is that this amendment will not be approved. With that in mind, the Chair and GM will begin connecting with other businesses and individuals who may want to join in creating a plan for other options. The hope is that Open Harvest will get to the point of approaching the city again in the spring with another option for a change which will allow the Co-op to apply for a liquor license. The Chair asked to reconvene the Liquor License Task Force and for board members to serve on the task force. Previously interested board members also have been or will be contacted for assistance. The Chair reviewed the task force charter and asked if any updates were needed. None were suggested.

**7:31 pm Consensus Item: Reconvening of Liquor License Task Force:** The board approved the reconvening of the task force.

**7:32 pm Board Operations Committee Report: Updated Contact List, Board Retreat Planning, Board Administrative Assistance, Charter Review:**

The Chair handed out an updated list of board contact information with the addition of the recently updated board terms and some minor spelling corrections. The Chair discussed the responses to the email poll and subsequent options for the date of the board retreat. The choice of dates is February 25 or March 4. The Chair will announce the final date selection at the January board meeting.

The Chair reported that Board Operations had their monthly phone conference call with CBLD Consultant Marilyn Scholl. She noted that the next CBLD training is scheduled for January 7, 2017 in St. Paul, Minnesota. The one-day training is free to all participants. Board members were encouraged to attend.

With the discontinuation of the volunteer program, the Chair presented a proposal to hire a part-time Board Administrative Assistant to take minutes at board meetings. The job description was available to the board electronically prior to the meeting. The expense would come out of the board budget.

The Chair presented the charter for Board Operations that was available electronically to board prior to the meeting. The board suggested revising the meeting requirements for the committee. The revised charter will be presented at the January board meeting for approval.

**7:42 pm Consensus Item: Hiring of the Board Administrative Assistant:** The board approved the hiring of the Board Administrative Assistant.

**7:46 pm Finance Committee Report: Charter Review:** The Finance Committee will review and update its charter for the January board meeting.

**7:47 pm Member-Owner Engagement Committee Report: Charter Revision, Board Elections Update:**

The Committee led a discussion of the draft committee charter that was available electronically to the board prior to the meeting. Board members provided feedback. The Committee will revise the charter and present the revised charter for approval at the January board meeting.

**7:58 pm** A report on the election process was available electronically to the board prior to the meeting. The election application has been updated and is ready for distribution. The timeline for the election process was reviewed. Ellen Dubas agreed to serve as Election Committee Chair. The board was encouraged to recruit potential candidates. The Committee Chair will collect applications. The Member-Owner Engagement Committee will assist as needed.

**8:03 pm Strategic Conversation: Linkage with Member-Owners:** Due to lack of time, the discussion was postponed to a future board meeting.

**8:03 pm Policy Governance Training:** The Chair reported that she did not receive any specific requests for topics for the policy governance training. The Chair reminded the board of the importance of board holism, i.e., speaking as one voice and understanding the concept of reasonable interpretation. The Chair handed out "Policy Governance Quick Guide." She asked that board members read the hand-out and bring questions or comments to the January board meeting.

**8:08 pm Review Outstanding Action Items:**

**Changed Action Item:**

10/16—2 The due date for member-owner engagement strategic discussion was changed to 2/1/17.

**Completed Action Items:**

- 11/16—1 The Chair polled the board to select a date for the next board retreat.
- 11/16—2 Board members did not make any requests/suggestions for policy governance.
- 11/16—3 The Chair returned the 2017 CBLD contract.
- 11/16—4 The board discussed L1 Policy revision options.
- 11/16—5 The Chair wrote an article about the board election for the December Dirt newsletter.
- 11/16—6 The Member-Owner Engagement Committee drafted and presented a new charter for the committee.
- 11/16—7 The Member-Owner Engagement Committee initiated the board election process.

**New Action Items:**

- 12/16—1 The Board Operations Committee will present a revised charter to the board.
- 12/16—2 The Finance Committee will present proposed charter revisions to the board.
- 12/16—3 The Member-Owner Engagement Committee will present a revised charter to the board.
- 12/16—4 The board will read and review the Policy Governance handout and questions.

**8:10 pm Guest Member-Owner Comments:** A Member-Owner commented that she would like to be able to participate more in board meetings but doesn't have access to the reports and information that the board discusses. As an example, she said that the Global Ends is very important to core Member-Owners and shoppers\*. She said that the issues of organic, non-GMO and locally made versus locally sourced products should be more fully addressed in the Global Ends report.

**8:20 pm Adjourned**

\* The GM emailed board members the following day that she would include a summary of the Global Ends report in the winter edition of the Dirt newsletter.

Action Item	Description	Assigned to	Date Opened	Date Due
7/16 – 2	Present proposed L1 policy revisions for approval.	Finance Committee	7/6/16	1/4/17
8/16 – 3	Research legal requirements regarding audits.	GM	8/3/16	5/17
10/16--2	Plan strategic discussion of member-owner engagement.	Chair	10/5/16	2/1/17
10/16—3	Plan strategic discussion of a financial audit versus a review.	Chair	10/5/16	5/17
12/16—1	Present revised charter at board meeting.	Board Operations Committee	12/7/16	1/4/17
12/16—2	Present proposed charter revisions at board meeting.	Finance Committee	12/7/16	1/4/17
12/16—3	Present revised charter at board meeting.	Member-Owner Engagement Committee	12/7/16	1/4/17
12/16—4	Read and review Policy Governance handout and questions.	Board	12/7/16	1/4/17