

1
2 Oneota Community Coop
3 Minutes for Regular Monthly Board Meeting
4 Tuesday, August 23, 2011, 5PM
5 Luther College Campus, Valders Hall, Room 367

6 **Board Members Present:** Johnice Cross, Robert Fitton, Gary Hensley, Jon Jensen, Lyle Luzum, Steve
7 McCarger, Bill Pardee

8 **GM Present:** David Lester

9 **Coop member/owners Present:** Blythe Landsman (Board Administrative Assistant)

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11 **1. Call to Order**

12 President Pardee called the meeting to order at 5:00 pm.

13
14 **2. Board Learning - Defining Strategic Emphasis of Ends**

15 Summary: The Board's Ends policy states that, "Because the Oneota Co-op exists as an institution
16 grounded in the cooperative principles, there will be the following ...", and then identifies eight
17 "outcomes" that we want to result because of our existence. The GM is charged with interpreting those
18 Ends in the context of "what outcomes, for what beneficiaries, at what costs?", and turning those
19 interpretations into operational processes and results. The GM reports to the Board annually as to
20 progress toward meeting those Ends (an always on-going process). In order to achieve the Ends the GM
21 must also prioritize expenditure of resources toward them. The Board can help give the GM a collective
22 sense of the membership needs, as keeping in touch with those needs is a part of the Board's fundamental
23 responsibilities.

24
25 While recognizing that all the Ends are important, the Board also recognizes that if we encourage the
26 GM to spend equally on all eight, we may make little or no improvement on anything in particular. In
27 order to help the Board and the GM maintain a common sense of overall direction the Board, in this
28 learning session, discussed the following question: "Which few Ends provide the most value to our
29 members for the expenditure of limited strategic improvement resources over the next few years?"

30
31 Prior to the meeting, each Board member identified the four Ends they felt met the criterion posed by the
32 question. Discussion during the session focused on using this information and a winnowing process to
33 come to a consensus about the three Ends we felt had the most significant value for emphasis in the near
34 term. The results were:

- 35 1) End 1 – a retail source for food and other products that, to the greatest extent possible, are
36 organic, sustainably produced, locally grown and/or processed, and affordable
37 2) End 2 – a business that encourages the expansion of sustainably grown local food sources
38 3) End 4 – a community that is educated about food and other products that are healthy for
39 people and the environment.

40
41 This information is the current sense of the Board and it is meant as input for the GM to consider as he
42 directs operations.

43
44 **3. Member comments**

45 No members were present.

46
47 **4. Disposition of Member comments**

48 There were no member comments.

49
50 **5. Agenda Review**

51 **Motion:** Fitton moved and Hensley seconded to **approve the agenda**. Motion **passed** by a vote of 7 aye, 0 nay.

52
53 **6. Approval of minutes**

54 **Motion:** Jensen moved and Cross seconded to **approve the minutes of the July meeting**. Motion **passed** by a
55 vote of 7 aye, 0 nay.

56 (Two typos were noted for correction.)

57

58 **7. Reports**

59 **7.1 GM Report**

60 Financial: Sales for July were up \$20,231 (6.57%) from 2010. Four week sales have averaged \$74,369
61 per week (7.9% over 2010). Labor as a percentage of sales for the four week period averaged 17.7%,
62 below the budgeted goal of 18.07%. Quick Ratio was .82. Current balance in savings for future payment
63 of member loans is \$191,215. Current Assets are \$286,604 (up 25.5% from 2010, but lower than
64 previous report because HVAC #2 was paid for out of cash. 118 new members have joined since Jan 1,
65 2011. (Nine of those are College Cooperators.)

66

67 Community/Outreach Projects: David participated in a store/financial audit of The Good Food Store in
68 Rochester MN as part of an NCGA audit team.

69

70 Physical Store Update: The roof is finished. Energy update: Mid-July – Mid-August our electrical and
71 gas usage went up compared to last year, but the roof was not done yet and this year was warmer than
72 last year. We will be having a safety audit done through a 3rd party auditor, which will allow Dining
73 Services at Luther (Sodexo) to purchase goods from our store, as they used to do prior to the 3rd party
74 audit requirement.

75

76 Staff Update: Staff evaluations will be concluded Aug 23 and a staff survey will be conducted in August.
77 Two staff are leaving the Co-op as they will be moving.

78

79 Marketing/Special Projects: Books and Gifts will highlight a local artist each month beginning in Sep.
80 We were visited by a few media outlets when President Obama visited Decorah. Several classes and
81 events are scheduled for August/September (Sep 1 is kickoff of Eat Local Challenge.)

82

83 Other: David will be attending the NCGA General Assembly in Boston Sep 12-15.

84

85 **8. Action Items**

86 **8.1 Board Policy Monitoring Report – G5 Board Committee Principles**

87 **Motion:** Luzum moved and Fitton seconded to **approve Monitoring Report G5**. Motion **passed** by a vote of 7
88 aye, 0 nay.

89 Summary: Board Policy G5 states that “Board committees, when used, will be assigned so as to
90 reinforce the wholeness of the Board's job and so as never to interfere with delegation from the Board to
91 General Manager.” This policy is considered in compliance when each of the sub-policies are in
92 compliance. Accordingly, all committees have had specific tasks or charters assigned and have stayed
93 within those assignments; the committees have properly focused on Board-requested policy-related
94 assistance, not operational details; all committees have operated within the “wholeness of the board”
95 rules outlined by this policy; all standing and ad hoc committees have a Charter or Board Mandate, as
96 indicated in a chart identifying each committee; all committees have properly reported only to the Board
97 as specified in their charter or mandate; no committees have attempted to speak or act for the Board
98 independent of Board requests to do so; committees have not attempted to exercise authority over staff;
99 non-Board committee members have been informed of their responsibility to comply with the ethical and
100 confidentiality requirements that Board members agree to and all committees have been chaired by a
101 Board member. Compliance reported for policy G5.

102

103 As to the last sub-policy – abiding to ethical and confidentiality requirements, it was asked if non-Board
104 committee members were required to sign an agreement to that effect. No, there has been no formal
105 agreement. President Pardee appointed an ad hoc committee consisting of Luzum, Fitton, and Pardee
106 (Luzum chair) to research and propose such an agreement for non-Board committee members, and to

107 report back at the September meeting.

108
109 Additionally, there was consensus to remove the words “some sort” (as vague and unnecessary) from the
110 approved wording of the first sentence of the Operational Definition of G5.1.

111 **8.2 Committee Recommendation: Proposed Board Discipline Procedure**

112 **Motion:** The committee moved (no second needed on a committee recommendation) **to approve the Board**
113 **Discipline Procedure as presented.** Motion **passed** by a vote of 7 aye, 0 nay.

114 Summary: As requested at a previous meeting when Policy G4 was monitored, a committee consisting of
115 Hensley, Pardee, & Luzum was charged with developing a discipline procedure for use when a Board
116 member is alleged to have violated the Code of Conduct. The policy requires the Board to enforce
117 discipline, but the previous wording regarding consequences of such discipline had been eliminated from
118 the Code of Conduct Agreement in 2010 with no replacement procedure in its place. The committee
119 recommendation proposed a step-by-step process to address this need, recognizing that the bylaws
120 provide no actual authority to remove offending Board members short of revoking co-op membership.
121 The new procedure will be added to the official Board Procedures Manual.
122

123 **8.3 Charge to begin election preparation**

124 President Pardee noted that VP Fitton and the Board Development Committee did a great job organizing the
125 election last year and requested that he begin the process for the upcoming election.
126

127 **9. Next monitoring**

128 GM L2: Staff Treatment

129 **10. Next meeting**

130 NOTE: Due to a Luther Center Stage performance on Tuesday September 27, for which several board members
131 have ticket and because the campus will have many visitors requiring parking, the next meeting has been
132 scheduled for **Thursday, September 29, 2011.**
133

134 **11. Executive session**

135 None

136 **12. Meeting adjourned at 6:52**

137 **Documents Reviewed**

138 Agenda

139 Placing a Value On Our Ends (Board Learning)

140 July 26, 2011 Minutes

141 GM Report

142 Board Monitoring Report G5

143 Committee Recommendation – Discipline of a Board Member Procedures

144 Previous Meeting Evaluation Results