

TPSS Board of Representatives Meeting

Date: October 16, 2011

Time and Place: 6:00pm, TP Store Community Room

Present: David Walker (DW), Tanya Whorton (TW), Robert Corbett (RC), Emily Townsend, (ET), Steve Dubb (SD), Bill Rodgers (BR), Mary Rooker (MR), Nelson Graves (NG)

Others Present: Abdi Guled (AG), Ken Firestone, Deb Friedman, Claretta Daniels, Yannick

Minutes Submitted by: Solveig Mortensen

RESOLUTIONS:

- The Board resolved to take MC.7 off the consent calendar (for this meeting) with the plan for Board members to suggest amendments and then gain a consensus, so it would then be placed back on the consent calendar for the November 2011 Board meeting .
- DW moved and RC seconded to approve the September 2011 Board meeting minutes and amendments to the previously approved August 2011 and May 2011 minutes; this passed by consensus. (APPENDIX A)
- The Board voted to approve the resolution to donate \$500 to Co-opoly to participate in the Co-opoly game (five in favor; two against; one abstained).
- AG/management and the Board agreed for AG/management to determine the best way to carry out a vote (to be held at the Wed. Oct 19th Staff meeting) that would capture whether the majority of staff approved the proposal to receive the allocation of \$1500 for staff appreciation, which would be put towards what they wished but within the guidelines set forth by the Board President.
- TW moved to approve the language for the Expansion Resolution and NG seconded. SD stated that he abstained from approving.
- TW motioned to accept the Co-op annual budget for fiscal year 2011-2012 and NG seconded and it was accepted by consensus.
- The Board agreed to put the revised M1 policy with the amendment made to M1.2 and the addition of M1.5 incorporated into it on the consent calendar for November 2011.
- DW motioned that the Board endorse the concept of cooperating with the University of MD on a long-term basis to gain business expertise to benefit the TPSS Co-op. SD seconded and the Board passed by consensus with the understanding that it was ultimately AG's decision to pursue this project or not.
- The Board approved an electronic vote motion on 10/5/2011 for the following GM Search Committee composition after five Board members voted "yea": Neteraru Rasheed, staff SS; Deb Friedman, staff TP; Megan McCoy, TP Advisory Group Co-chair and Food Advisory Group Co-Chair; Don McCubbin, SS Advisory Group Chair; Dan Robinson, TP Councilmember for Ward 3; Marilyn Berger, HR manager of

TPSS; Mary Rooker, Representative of the Board of TPSS; Tanya Whorton, Vice President and representative of the Board of TPSS; Emily Townsend, Secretary and representative of the Board of TPSS.

Emotional Check-in: SD shared that he wanted to clarify and apologize for how in some of his informal communications with the Co-op he talked about the Nominations Committee extending the timeline for the Board candidates and then this extension occurred without the appropriate full Board procedure, participation, and process. He explained that he had thought this decision was planned to be presented for the Board to examine and resolve collectively. He noted that it was not at all his intent to direct the actions of the Co-op unilaterally.

Agenda Review: Board members introduced several items: MAFCA issues, namely the Cooperative Business Leadership Development (CBLD) open enrollment period, and the University of MD Business school partnership—to be incorporated in that order. ET requested that the Product Selection Guidelines Committee also be given some time on the agenda.

Consent Calendar: The Board agreed to take MC.7 off the consent calendar. Board members would suggest amendments after this meeting but before the next to gain a consensus on MC.7 and then place it back on the consent calendar for November.

SRC Report: CD made a request to the Board and staff that communications to the SRC follow a more formal process and go to the SRC liaison, rather than individual participating staff members. She explained that people should expect that she is receiving the communications as the point person and reminded everyone that the Board administrator has her email address. There was discussion about individual communications that had occurred between the Board President and one SRC coordinator; for example, of course, they could still communicate, but when important matters of SRC came-up there would be an effort to redirect them to the liaison. DF noted she felt some of her previous communications with the Board may not have always observed the appropriate process; she hoped this had not made dealings more challenging; and, gave her support for a clear point of contact. CD stated that all of the SRC collectively agreed this method would be more constructive. CD shared that the SRC/staff would like access to a Wiki page, for their own Wiki. TW agreed to assist staff in setting up a wiki page.

Co-opoly Donation: SD reported about his communications with the people that organize the Co-opoly Game. He explained that he backed the Co-op's participation in it as it supports education about co-ops and advertises the TPSS Co-op to some extent: the Co-op will get a card in the game and there will be a link to the TPSS Co-op webpage. Board members agreed that Co-opoly's greatest function would be as a tool for Co-op education.

DW pointed-out that it was a Board expense and not a marketing expense; and, he stated that he had considered the feedback from the SRC about this expense at this time and would probably not vote to participate in it to observe the need for some austerity.

There was some discussion of bringing the issue of Co-opoly participation to the next all-staff meeting for a poll. ET commented that while she completely respected staff's desire to earn a living wage, she believed that \$500 was such a small amount of money that even if it were distributed equally to all staff, it would make little difference in their lives. MR pointed out that this plan would involve only polling one sector of the Co-op's organization/community; the Co-op could just as well poll the membership and management about the decision. However, she stated, while she greatly valued staff's input, it would be inappropriate to check-in on this decision and other Board decisions with staff (other parts of the organization) prior to taking action. DW agreed that this was a Board decision, but noted he was shaping his stance out of a respect for the need for austerity. BR pointed-out that the benefit of education about this was the very reason why it should be raised at the staff meeting. TW and SD suggested other ways to inform staff about the game, its value, and Co-op education.

The Board voted on the resolution to approve TPSS Co-op's donation of \$500 for participation in the game Co-opoly: five voted in favor (MR, SD, ET, RC, and TW); two voted against (NG and DW) and one (BR) abstained from voting.

Staff Appreciation: DW explained that last year TPSS Co-op spent several thousand on the staff appreciation party-gourmet catering, etc. Staff heard that due to financial conditions this could not happen this year, but it was requested that staff appreciation be put back on the agenda. He noted that one SRC Coordinator had stated that what staff would really like would be the interest gained from the loan to Mariposa; he shared that regardless of how serious that suggestion was, he wanted to clarify that that loan interest is and was dedicated to the Expansion Fund.

DW shared that he did have a proposal in regards to staff appreciation which was that the Board allocate a gift of \$1500.00 for staff to democratically elect, by majority vote, to spend on something that benefited them as a whole, collectively or individually. RC wondered why the Board was not choosing to allow the SRC to manage this gift for staff appreciation. DW commented that he understood that there was a question about how representative the SRC is of all staff; so, he felt it should go directly to staff. There was discussion about the best way to implement this proposal. Some Board representatives felt that following the proposed, submitted process could take a lot of staff time and suggested tabling the issue; others believed that a show of hands at the staff meeting could resolve it. DW stipulated that he insisted that a majority of staff would vote on the use of the money. TW proposed that management find a way to get a majority vote of the whole staff on the proposal.

AG confirmed that the Staff party would be held on November 14th at the Seeker's Church and would be open to staff and their family. The Board agreed that for the staff appreciation party the Board should attend and contribute items such as desserts. DW passed around a graphic on sales versus expenses.

GM Report: AG reported that the SS store has promoted two staff to the position of assistant store managers: Jay Blake and Neteraru Rashad. Both were noted to bring a lot of enthusiasm and support to the store. He reported that the TP store now has wireless connectivity in the basement and they were working on installing wireless connectivity at the Silver Spring location as well. Originally, he explained they planned to have Verizon at both stores, but because Verizon cannot provide FIOS at the SS store, the Co-op will probably have Verizon at TP and Comcast at SS. Performance evaluations have begun of all employees in their departments. Sandra Rivera who has worked at TPSS for many years is leaving TPSS to return to El Salvador. The Marketing Coordinator, Alzira is also leaving for another opportunity too. MR recommended that the Co-op do exit interviews for most every outgoing employee and MB confirmed that they are standard practice. Management is evaluating temperature recording devices for refrigerators and freezers at both stores: looking at circular chart recorders for some walk-ins. AG chose to go to DW for guidance on that due to his familiarity with the topic. AG reminded the Board that the Co-op was still waiting for reimbursement for the \$57,000 for losses due to Hurricane Irene; MB submitted the paperwork and they hope to get an answer next week. AG is looking into a generator as back-up for the refrigerators, cash registers, and other operations requirements, but not all freezers. Board members wondered whether noise ordinances would allow the operation of a generator. AG confirmed that there is a huge generator at the fire station, though the Board still wanted him to check whether we would be allowed to run a generator.

GM Search Committee Progress Report: TW reported that the Committee has been created and their first meeting was scheduled this past week, but their speed, in part, still depends on receiving decent resumes: advertising has started. ET was noted as the Chair of the Committee and the point of contact. The close date or date the Co-op will run the posting through was approximately, November 7th/the second week of November. MB shared that resumes are beginning to be submitted, but many are not viable and the remainder were from corporate supermarkets where the chains closed.

Annual Report: DW reported that it is MD cooperative law for co-ops to submit an annual report four months after the fiscal year. TW elaborated that the Board was late in realizing about the audit work that needed to occur with Brenda Tilery (BT)

and the Membership Committee prior to the Annual Report's finalization. The Board, she stated, will follow the timing deadline requirements more closely next year, to enable all departments to more easily complete their sections. Possibly, she stated, the audit should have been scheduled in April. DW explained that the Board will distribute a short Fiscal 2010-2011 year report at the Membership Meeting (not the official annual report) and that the Annual report with the final numbers would be available. He noted that BT will do the financial narrative and fiscal 2010-2011 numbers in the Annual Report. DW reiterated that this was this Board's first year playing a role in creating the Annual Report; next year he would like to see the Co-op put together a substantial annual report that included an article about the TP store or the SS store, something that could be used as a marketing tool.

Open Member Forum: One employee had a question about who he should file a grievance with if it were against management and HR. The Board President directed him to follow the specific grievance policy in the staff handbook; after exercising the routine grievance procedure, if he were then still unsatisfied he could write a letter to the Board. This employee also asked if while going through the grievance process and waiting for an answer, his employment at TPSS became terminated, what he could do then. NG suggested that any employee who feels in danger of being terminated should get their grievance in as soon as possible. TW clarified that there is an additional grievance procedure available only if there is a grievance about the ethical behavior of the GM, however as explained in the HR manual it needs to fit very specific criteria.

CD shared that she wanted to respond to some things that were said about the SRC; she found herself distressed about the tone of the Board in discussing the SRC. She contrasted DW's comment *that the thing that came out of the/a SRC meeting was a concern about the interest on the Mariposa Loan* with what she saw as a constructive conversation about staff obtaining a living wage with the GM's expressed interest. She reported that in a recent meeting with MB and AG, they identified one of the challenges at the Co-op was the gross income inequality. Furthermore, she understood that the Board had conveyed to the GM that there should be a structure in place to ensure staff a living wage. In conclusion, she commented that she had gathered in this meeting that staff had informed the Board President that they were not being represented on the SRC. She suggested that a way to address this would be to ask those staff to talk to the SRC about why they do not feel represented.

NG explained that at the all-staff meeting he asked what percentage of the staff were involved and committed to working with the SRC and found it to be under 20%; DW noted this as a point that he had understood as well. NG noted that within that all-staff meeting, he proposed that the Co-op consider equity and not a living wage, because there were examples of new employees receiving a pay raise from \$7.50 to \$10.00, when other staff in other departments did not receive the same type of raise or any raise. He believed it would be a good idea if the Board put together another committee that MB would participate on to address wage. He noted that part of the reason the SRC officers are being paid is to reach out to the other staff. CD noted that she personally has not taken time from her work responsibilities to do SRC work, which SRC avoided in its design; she stated if a SRC Coordinator neglected their work to pursue SRC interests it would be inappropriate and a reason for them to no longer be a Coordinator. She requested that concerns about SRC Coordinators be brought to the SRC so that they could be addressed. BR reflected that the SRC could not be held entirely accountable for the lack of staff involvement if staff do not attend the SRC meetings. CD stated that she gathers from staff that they do not feel like anything they do will make a difference in their situation at the Co-op; she shared that she heard they do not see the point in participating. MR said that she was concerned that staff thinks the Board does not care about them and affirmed that the Board cannot assume the reasons why staff do not participate with the SRC. There was discussion about the Board's asking management to look at the issue of wage equity at the Co-op.

Annual Budget: this item was moved to after the Membership Meeting agenda item.

Membership Meeting: SD reported that there would be a Membership meeting next Sunday from 2-4pm. He suggested that the Board change the agenda given the number of candidates due to participate in the meeting; he suggested leaving 5-10 minutes for the open forum and cutting the candidate's time to 3-4 minutes. The Board President read the statement of the expansion resolution. He stated: "*resolved: The membership authorizes the Co-op to expand to include a store approximately 12,500 square feet in or near Takoma Junction.*" SD stated that the Board would now need to seek approval from the Membership in regards to money; the Board President made the point that the Board/TPSS Co-op would only need to confirm with the Membership regarding money if the Co-op wanted to pursue financing through preferred shares.

Annual Budget: The Board was directed to where in the packet they could find the Annual Budget numbers. The Annual Budget for fiscal year 2011-2012 was accepted by consensus.

M1 Policy Revision: SD explained that there are a variety of reasons a GM would leave a Co-op, so the idea was just to make an exit interview routine procedure. ET pointed out that there is an error in the existing policy M1 policy: M1.2 required an amendment. SD had written and included the new M1.5. The Board agreed to put the revised M1 policy with the amendment made to M1.2 and the addition of M1.5 on the consent calendar to pass the next month. DW noted that he supported the idea of extending this policy to apply to Board members as well. MB asked why the Personnel Committee would not do this. SD explained that in the proposed M1.5 the Board Secretary would do the interview or could designate others to do so and that because it is already the Board Secretary's role to do the exit interview with the Board, he thought it made sense to give it to the Secretary.

Nominations Committee: NG believed the Nomination Committee should meet again; he suggested meeting this month or next. The Board President noted that there needed to be a clear way for the Membership to vote at the stores. AG agreed to start the Board election process at the stores the next day. TW encouraged everyone to use the Google calendar account to get Nominations related material on it for next year.

Additional Agenda items (MAFCA, University of MD, Product Selection Committee):

- MAFCA:

DW shared that the MAFCA conference is on Nov.12 and suggested that Board members reserve that day to attend. He stated that the CBLD renewal period is also coming up. He recounted that the Board had previously always wanted to take advantage of 15 hours of consulting that they offer as part of their package. He noted that he was impressed by the CBLD consultant Art Sherwood because of Art's focus on strategic issues. He would send Board members the C-Build benefits out as soon as possible, so they could also look at the choices for consultants. He informed the Board that John Buteneera had written him asking if anyone were interested in serving on the MAFCA Steering Committee.

- University of MD partnership:

SD explained that he wanted to share a partnership opportunity that involved the University of MD. He had meet with Mr. Gopal, Professor at the School of Business and husband of the co-chair of the TP Advisory group. Mr. Gopal conveyed to SD that they are interested in having graduate students research how to put together a business plan/marketing plan. Both SD and DW supported the idea of the School's using the Co-op as a case-study. It would be a Cooperative project with several students, but one professor overseeing it long-term and they would use TPSS Co-op's data. Different students would build on topics for the study. DW had already sent Mr. Gopal the trend data and store map with the understanding that he could share it but not distribute it until confidentiality forms were signed. The Director at the School of Business would come to a Board meeting and SD wanted to give him the feedback that the Board, as a whole, is interested. It was clarified that this would be

an operations project. AG was interested in learning more about the project and it was understood that he would decide whether it were advantageous to pursue it at this time.

Product Selection Guidelines Committee: ET read aloud an excerpt of the product selection guidelines from another co-op and stated that TPSS does not have to adopt these specific values, but she believed it would be valuable for the Co-op to state its values and publicize them. She asked each Board Representative to weigh-in on how this could be done.

SD commented that he notices buyers going beyond those values in a way that undermines our sales. He believed it made sense to have these kinds of guidelines, but that the Board may want the grocery department to weigh-in on them. MR stated that those guidelines reminded her of the TPSS Co-op when it first started. She also noted that she and ET had discussed a product selection Committee, rather than a food advisory group and she would be willing to chair. Ken shared that he liked the idea of some product selection guidelines but not those particular ones: would worry that it would put people off.

NG commented that he believed the Co-op should be known by what we do and what we are and not by what we don't do or carry. He noted that within his department certain policies were in place. So, if they can find an equally-priced product that appeals to people more, because it is not, for example, gelatin, they will chose it. DW stated that he was ok with saying that the Co-op should have a core competence in items, but he too had a concern with the restrictions. He suggested merging the Food Advisory Committee with the Product Selection Committee. SD stated that affordability should be a consideration and suggested assigning a review of product selection guidelines to a Committee. ET would be in contact with the Food Advisory Committee to talk about the product selection as part of their efforts.

Meeting adjourned at 9:25pm

BOARD MEMBER TALLY ATTENDANCE: Term 2011:

<u>Member:</u>	Dec	Jan	Feb	Mar	Apr17	Apr30	May	June	July	Aug	Sep	Oct
Rooker	*	*			*	*	*	*	*	*	*	*
Graves	*	*	*	*	*	*	*	*	*	*		*
Townsend (since Apr '10)	*	*	*	*	*	*		*	*	*	*	*
Quesenberry (since May 10)	*	*	*	*	*	*		*	resigned in July			
Rodgers	*		*	*	*	*	*	*	*	*	*	*
Dubb (since Dec '10)	*	*	*	*	*	*	*	*	*	*	*	*
Whorton (since Dec '10)	*	*	*	*		*	*	*		*	*	*
Horty (since Dec '10)	*	*	*					resigned in June				
Walker	*	*	*	*	*	*	*	*	*	*	*	*
Corbitt (since Feb' 11)	*	*	*	*	*		*	*	*	*	*	*

**SEE APPENDIX A on the next page*

APPENDIX A

AUGUST 2011 Board RESOLUTIONS:

- The Board passed the MC-3 policy (see Appendix A) and the July 2011 Closed Meeting minutes on the consent calendar. TW motioned to pass the Consent Calendar without the Ends Statements, the June 19, 2011 Board Meeting minutes, and the July 2011 Meeting minutes from the consent calendar and the Board agreed by consensus.

-An Appendix was added to the end of the minutes to show this passed policy.

- The Board agreed to modify the wording of environmental stewardship in the first Ends Statement to the words: strong environmental stewardship. SD moved to approve the Ends Statements as amended in this meeting and amended in the July 2011 Board meeting, which included many changes proposed by the Membership Committee and TW seconded. (see Appendix B)

-An Appendix was added to the end of the minutes to show this passed policy and wording changed to that above.

- NG moved to accept the proposed budget for the GM recruitment and a modified composition of a GM search committee: three Board members, two member-owners who are not on the Board but who are active on TPSS committees, TPSS HR Director Marilyn Berger, one community representative, and two staff representatives (as selected by the Search Committee). *wording in August Resolution changed to above.*

AUGUST 2011 Board Body of minutes:

CD explained that she had found the previous meet and greets to be an opportunity for a bit of an interview, where staff made their concerns known and the candidates got an idea of what the staff are interested in. *the word "not" was removed from this sentence.*

MAY 2011 Board RESOLUTIONS:

- Board members voted five in favor, one against, and two undecided for TPSS Co-op to make a loan to the Mariposa Co-op for \$50,000 for the period of one year; thus, the loan to Mariposa Co-op was approved by majority vote. Five voted in favor of this action: ET, NG, DW, MR, and SD. **BR and TW stood aside for the vote and abstained from voting.** RC, the Board Treasurer, voted against the decision to make the loan. *The bold wording was amended and changed to above.*

• MAY 2011 Board Body of minutes:

- NG proposed a straw poll vote for or against making the loan. DW, NG, SD, MR, ET were for making the loan. RC was against it. **BR and TW abstained from voting in the straw poll, and TW stated that she was willing to stand aside for consensus.** The Board agreed to move to a vote. DW called the question as to whether the TPSS Co-op should make a loan to the Mariposa

Co-op for \$50,000.00 for the period of one year. **Five voted in favor of this action, two abstained and one voted against.** *The bold wording was amended and changed to above*