

## HARVEST BOARD OF DIRECTORS MEETING MINUTES—MARCH 6 MEMBER SESSION

Attending: Meghan Strauchon; Dwayne Desaulniers; Eli Faghali, Kashif ul-Huda; Ellen Dickenson; Marlene Archer; Marc Cutler, Operations Manager; Diane Simpson, Board Administrator; Wayne Clark; Gordon Williams (via telephone); and Wynston Estes, Interim General Manager (IGM).

Guests: Anne Lagasse, Sherry Tucker, Maya Gaul and Jon Butler, both from Cero.

The meeting began at 6:33 p.m.

Ellen introduced herself as she was filling in as facilitator for Lydia. She reviewed the purpose of the monthly Board meeting.

### Agenda Review

The agenda review was completed at 6:39 p.m. Proposal for Change was removed from the agenda.

There was a motion to move Asset Protection from Executive Session to the Member Session but the motion did not receive a second.

### Member Comment and Introductions

Jon and Maya came to talk about Cero, the composting cooperative in Roxbury. Although we were not set up to watch their explanatory video they said they would send it to us. Cero (meaning “zero” in Spanish, is based in Dorchester. It is an alliance between African-American and Hispanic workers who wanted to create green jobs in Boston. They can take dairy, meat, bones, and other items that typically cannot be composted. They welcomed us to attend their board meetings in Dorchester.

In response to a question about Marc’s role, it was explained that he is the Director of Operations and he is under Wynston, the Interim General Manager. The member also wanted to know if the store resets are having any impact, but that question was scheduled to be addressed later on the agenda.

Wynston’s action item to look into the line item about D&O insurance to locate the other 50 percent was completed. She said it is all under governance. A member asked how often Harvest reviews finances and how was it discovered that we were “out of terms?” The response was that finances are reviewed quarterly and this is the first time we have been told we are out-of-terms with our vendors. Wynston added that the current management team does not have as much financial data as did the previous.

**Motion: Approve February minutes.** The motion was moved and seconded. Approved 7-0-1.

### Finance Report

The Finance Committee (FinCom) has been writing a financial report that can be shared with members. Instead of all three types of financial statements which can be overwhelming, it has been greatly streamlined and has the most relevant items in it. Where it will be published needs discussion with the Member Engagement Committee—it’s for members not for the general

public. In response to a question about how long after the end of the month it takes to close the previous month's financials, the IGM said 7-10 days, but the end of the quarter takes longer. Someone suggested that if Harvest had a member portal this could be put on it and that could be a member benefit.

In response to a question about whether Harvest keeps data on patronage (how much each owner spends) the FinCom chair replied that we do have that data and we could share it at annual meetings. A director said that one of the problems with getting accurate data is that some members do not scan their cards.

The conversation returned to the finance table that the FinCom is creating. A director expressed enthusiasm that it would help to build knowledge in the community, and another director expressed concern that it might not be a sustainable activity. Wynston said it was a fairly easy task.

### Financial Committee Charter

No discussion was needed on the new FinCom charter (below) as everyone had read it in advance.

<b>Title</b> Committee name	<b>Finance Committee</b>
Last update	February 21, 2017
<b>Purpose</b> Why exist?	To support the Board in its fiduciary responsibilities by building its capacity to make informed decisions based on financial data. The committee will ensure that the full Board is aware of the co-op's financial condition, that all Directors are sufficiently knowledgeable in understanding financial information needed to fulfill their duties, and that member-owners are able to access periodic reports on Harvest's financial condition.
<b>Expectations / Accomplish</b>  Authority?  Limits to Authority?	<ul style="list-style-type: none"> <li>● Use financial reports (e.g. Independent Accountants' Review Report, Balance Sheet, New England Corridor monthly monitoring worksheet, etc.) to review Harvest's financial condition each month.</li> <li>● Prepare learning discussions for the board.</li> <li>● Undertake ad hoc research projects related to Harvest's financial condition and reporting practices.</li> <li>● In 2017, develop a process for periodically informing member-owners of Harvest's financial condition.</li> </ul> <p>No authority beyond obtaining financial information and providing support to the board.</p>
<b>Term</b> Standing? Recurring? Ad hoc?	Standing
<b>Composition &amp; Chair</b>	Ellen Dickenson (Chair, Director), Dwayne Desaulniers (Director), Gordon Williams (Director), Wynston Estis (staff), Ali Huberlie (volunteer)
<b>Meeting Schedule</b>	1-2 hours per month
<b>Budget</b>	\$0

Dollars? Time?	4 hours per month (2 hours prep time for monthly meeting)
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**Motion: Approve 2017 Financial Committee Charter.** The motion was moved and seconded. Approved 7-0-1

### GM Search

Eli gave a report on the GM search activity to date. There was a brief history of Harvest and then the General Manager advertisement. The GM search committee tried to build a “broad-strokes” picture of the job instead of giving a list of abilities that they wanted. The latter approach tends to be too limiting. It is Eli’s hope to have the ad up on Harvest’s web site later this week. All directors will be asked to help get the word out. There will be a rubric to evaluate candidates as the applications come in. In answer to a question it was said that a search firm was out of scope. The GM search committee does not yet have a plan for distribution of the ad—they are working on this over the next 2 weeks and will submit their ideas to Lydia, the committee chair. Harvest is not pursuing specific individuals at this time.

**ACTION ITEM** Meghan will email Lydia to get the timeline on the GM ad distribution.

The Member Engagement committee (MemCom) met last week. There are two major concerns: the short term concern is that the MemCom needs to fix things and the long-term concern is that there is no platform with which to get members engaged in Harvest. The Board meetings are not a good platform. A mechanism for members to express concerns that allows for Board response needs to be set up. MemCom will facilitate a member forum. They do not yet have an updated charter because they do not yet have a consensus on what they want to achieve. There are two main goals: 1) Help create a board that is more responsive to the needs of the broader membership, and 2) Work to create the conditions for members to self-organize and become more active participants in life of the cooperative.

The next topic to arise was some type of online organizing of members. A good point had been raised at the MemCom—we can have an online forum but if the Board is not present it becomes meaningless. Kashif sought direction from the Board on this issue.

A long and thoughtful discussion ensued about how to get started on this project. Someone suggested simply starting with a quarterly forum. The IGM said normally there would be an “owner-services” person in the store but we do not have the person. She suggested a meeting to go with the festivities of celebrating the store. The Board then discussed where member engagement activities should go—under the Board or the GM. The MemCom members present decided to get together at the end of the meeting and figure out their next meeting date.

Meghan had no update yet from the Board Development committee (BodDev), which will be a standing committee that deals with elections, orientations, and training. She did have an update on the Executive Committee (ExComm) however. The ExComm met and discussed two topics:

- 1) Structure of Board meeting
- 2) The Board Monitoring process

Their hope is to change the monitoring process so as to get more into the spirit of it. Instead of routinely performing the monitoring, they would use it to create work plans for each committee so the committee members could see if they were achieving their goals. In the ensuing discussion

it was pointed out that currently the Board measures process instead of progress and this is a way to step away from that. An annual survey was another suggestion. At the next meeting the committees will talk about the logistics of creating their work plans. ExComm is also pondering about transposing Member and Executive Session. The idea is to make Member Session more fun and engaging by getting Executive Session out of the way early. There was a brief discussion about how often to have an Executive Session and what topics should be in it. The idea of swapping the meeting times was generally well received.

### **GM Monitoring Report**

Ellen explained that Wynston would be reporting on one of the Global Ends, (reason for Harvest's existence). Wynston said signage is going slow. Currently Harvest is using NCG (National Co-op Grocer) signage. The signs are taped to the wall because the sign-holders did not work. Also, the marketing person Wynston just hired gave notice. Wynston may be able to find a freelancer In response to a question about how to apply, Wynston said to send resumes to Karina Arias. The person who takes this job has to be able to launch new marketing programs for Harvest owners.

There was a question about sales growth declining in JP and increasing in Cambridge for the first quarter. Marc thought it might be due to flash sales and a member thought it was because the store was looking better. Wynston would like to create an owner-only program that creates value and incentivizes owners to come to the store. She said community connectivity is a big value for Harvest. In response to a question about the MAD day coupon, Wynston said no physical coupon will be needed—the discount will be in the point-of-sale system. Wynston also wants to revise the member- owner brochure. A member expressed an opinion that it would be nice to get a welcome email explaining how the co-op works and asking if they had time and talent they would like to offer the coop.

Other details in the report: There will be resets (store makeovers) in produce at the Cambridge store next week, then there will be a two-week two-phase reset in the Jamaica Plain store. It will be exciting but also hectic and somewhat disorganized. A director asked a question about a strategy to increase membership through a member drive and wondered if Wynston wanted to clean up the store before asking people to sign up. In response she said we also have to ramp up capacity before signing up a lot of new members. A director was concern about the loss of the marketing person and wondered what will this delay? Wynson said it would not delay signage but it would affect the newsletter and brochures.

**Motion: Approve IGM monitoring report.** The motion was moved and seconded. Approved 7-0-1

In response to a question about what the Board is approving in a vote, Ellen explained that the approval of the monitoring reports has an effect on the bonus a General Manager gets, if any.

### **Board Monitoring**

The Board will soon be changing the way they assess their performance. A director asked why seven people replied “yes” to the question “Is this the policy we want?” when almost every one of the points got a failing grade. Another director explained that it doesn't mean the Board needs to change the policy, it means we need to change the actions of the group. Another person said that not everyone is a huge fan of policy governance but that question is of a bigger scope than can be handled at this Board meeting.

**Motion: Approve the March Board monitoring survey.** The motion was moved and seconded. Approved 7-1-0.

**Retirement of Friendly Board Administrator**

The board Secretary will assist with work on the transition. Diane will let him know about all the tasks she does and hand over ownership of the Google docs. The Board will find another Friendly Board Administrator and Diane will be Friendly Board Administrator emeritus.

**Motion: Close Member session.** The motion was moved and seconded. Approved 6-2-0

The Member session closed at 8:09 p.m.