

Adopted Minutes
East End Food Co-op Board Meeting
11/19/2018

In attendance:

Present Board Members: Eddy Jones, President; William Warnock, Treasurer; Emily DeFerrari; Sarah Trafican; O.E. Zelmanovich (Zoë).

Interim General Management Team: eric cressley, Front End; Jen Girty, Human Resources; Erin Myers, IT; Kate Safin, Marketing & Member Services.

Board Clerk: Erica Peiffer.

Member Guests: Faith Schantz, Tom Pandaleon, Megan Moffit.

Eddy called the meeting to order at 7:03 p.m. Members, board and staff in attendance introduced themselves. William read aloud the Ends statement.

Amend/Approve Agenda

Discussion of policy revisions were moved before Closings.

Decision: Emily moved to accept the agenda as amended. Zoe seconded the motion.

Vote: 5.0.0

Amend/Approve previous meeting minutes

Directors reviewed draft minutes of the previous meeting and made corrections for grammar and clarity as reflected in the published minutes.

Decision: Sarah moved to accept the minutes as amended. Emily seconded the motion.

Vote: 5.0.0

Amend/Approve Annual Meeting minutes

Directors reviewed draft minutes of the Annual Meeting and made corrections for grammar and clarity as reflected in the published minutes.

Decision: Sarah moved to accept the minutes as amended. Emily seconded the motion.

Vote: 3.0.2

Bi-Annual Member Survey Proposal Review

Kate presented a cost-estimate and summary of services from the Survey Research Center (SRC) at the University of Wisconsin-River Falls to conduct our bi-annual Member Satisfaction Survey in January 2019. Kate explained we have worked with SRC since 2012 to produce the last three surveys. A template of the survey, developed by NCG, was attached, and she noted minor changes since the last survey regarding definitions in the demographics section. Kate recommended we continue to contract SRC to conduct the survey on our behalf, as they can provide years of consistent information, benchmarking with other co-ops, and said these survey results have proven to be a valuable tool in strategic planning. The proposal outlined basic costs and itemized supplementary options, including modules focused on expansion and communications, adding additional questions, and analyzing more results than the minimum threshold for statistical significance. Kate shared SRC's recommendations not to include any supplementary modules or questions that we are not prepared to take actionable steps to address, and noted that the length of the survey is an important concern that impacts completion rates. She recommended against including the expansion module for a third time, but suggested the communications module could be produce useful information considering the board's focus on member engagement, and since it has not been included since 2012 before we utilized email as a communications tool. She also recommended to include an additional question that had been removed from the template but we had opted to carry over in the most recent survey, which asks

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participants to prioritize causes they would like the Co-op to champion. Finally, Kate noted the deadline of December 3rd to confirm our preferences for SRC to proceed with an IRB review. The number of survey results to be analyzed for the final report will be determined after the close of survey; but all directors seemed to be in favor of processing all results. Emily noted the Member-Owner Participation had drafted an independent survey; Eddy acknowledged reviewing the draft and suggested there was repetition between the two surveys. He directed the committee to provide input to Kate on 2-3 supplementary questions from the draft to potentially add to the template.

Decision: Eddy motioned to accept the SRC proposal as put forth, excluding the expansion module and potentially to include additional questions as recommended by the Member-Owner Participation Committee. Zoe seconded.

Vote: 5.0.0

Revision of Member Stats Report

Zoe presented a draft revision to the membership statistical summary that is included in monthly board packets. New subcategories based on shopping frequency and communications data were included. Managers agreed to provide this information in the new format via quarterly reports, starting in December.

DGMT Update

Jen reported that interviews for a new produce manager were underway. CDS consultant Melanie Reed was here for a week to conduct interviews for the staff satisfaction survey. The seven-person interim management team model went into effect on October 29th. Erin reported progress toward launching Mercato, an online ordering site and delivery service, and projected going live within 4-6 weeks. Mercato will coordinate initial marketing ramp-up, providing online ads and free delivery coupon codes. Initially the service will provide next day delivery, with fees based on location. Eric reported a busy weekend in the store as shoppers prepared for Thanksgiving. He gave a status update on the news Ends report format due next month. Eddy requested the template be sent to the board via Fleep for approval prior to filling it out with data. Zoe suggested adding several new metrics related to phasing out plastic and workplace democracy. Eric generally agreed although he asked for guidance on benchmarking when there is no previous data to compare. Zoe suggested these reports could be more qualitative or narrative in nature. Zoe also suggested a metric related to staff turnover.

Action Item Follow-up & Discussion

Directors and managers reviewed action items from previous meetings and reported progress.

B6 – Staff Treatment & Compensation

The board congratulated managers on positive trends demonstrated in the most recent staff satisfaction survey results. Next, directors reviewed the report page by page. On the first page, directors asked managers to comment on strategies for addressing the lowest scores from a general summary of results. Jen referred to the next several pages of the report which outlined objectives for the management team in the interim until a general manager is hired. She said pay will always be a topic that comes up and noted that while our starting wage of \$11 is significantly higher than the national minimum wage, it is not \$15. Regarding the high standard deviation for responses to questions regarding fair compensation relative to other positions in the

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Co-op, she noted our organizational wage scale is public knowledge, and CBU wages are bargained for in the union contract, and therefore cannot be re-assessed at this time. Regarding transparency, she noted the management team's intention to re-instate all staff meetings. Regarding improvements to operational efficiencies and coordination between departments, she suggested the hiring of a general manager will be the most effective action. Emily asked if cross-training was still a strategic objective for management; Jen reported the CBU was not interested in this arrangement at the time of the last contract negotiations. Directors noted that benchmarking with survey results from other co-ops was not specific, and asked Jen to follow up with the consultant to recommend co-ops with exemplary scores to provide helpful insights. On page 2, Jen said a meeting was scheduled with CBU officers to discuss low scores from the employees' evaluation of managers. On page 7, regarding sub-policy B6.8, Zoe disagreed with the MIT standard for defining a "livable wage". Jen agreed it was difficult to define and referenced the MIT (Massachusetts Institute of Technology) model and another model previously published by CGN (Cooperative Grocers Network); she agreed to address this in the interpretation and operational definition of future reports. On page 8, directors questioned the reference to a formal process for establishing general manager compensation; Jen responded this is a function of the board. Next, directors reviewed the attachment, a report of survey results prepared by our CDS consultant specifically for the board. Several low scores or questions with high standard deviation were discussed. Regarding supervision, the lowest score related to receiving feedback from the GM; managers noted the challenges of operating in interim mode. Regarding an increase in standard deviation related to employees feeling free from discrimination at work, Jen discussed the consultant's interview findings, in which employees expressed feeling the harassment was not internal but rather stemming from interactions with customers. Both managers and directors acknowledged the physical location and status of our building's upkeep as challenges to providing a safe working environment.

Decision: William made a motion to accept the report. Sarah seconded.

Vote: 5.0.0

Finance Committee Update

William reported that our yearly audit was complete and had been signed.

Board Perpetuation & Elections Committee Update

Erin and Eric reported relatively low voter turnout to date via both the online site and in-store ballot box, although it was noted that email reminders were being sent and also that more paper ballots come in when individuals are leafletting on the sidewalk. Emily and Zoe presented a draft agenda for the upcoming board retreat, and directors considered who would facilitate each session. Sarah committed to follow up with CDS consultant Rose Marie Klee via email. Emily agreed to coordinate breakfast and lunch from the Café. Sarah committed to review orientation materials and to communicate election results with candidates upon the close of vote tallying. Directors agreed to assign officer roles at the January meeting. A working meeting was scheduled for December 3rd to count ballots and develop a plan for communicating election results to both new directors and the Co-op membership.

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Member-Owner Participation Committee Update

Emily reported that membership on the committee had significantly dropped, and that several members were working together to draft questions for the member survey. The next meeting was scheduled on November 28th.

Annual Meeting Committee Update

Emily reported expense tracking was complete and the meeting came in under budget. Turnout was lower than expected, with 69 members in attendance. 26 meeting evaluations were submitted and all comments except a few were very positive. Emily scheduled a meeting with Erica and Kate to de-brief.

Management Transition Committee Update

The Interim General Management Team went into effect and the board formally entered into contract with The Carlisle Group to recruit candidates and manage the hiring process of a general manager. The board requested the job description be re-posted on our website. Zoe asked all directors to consider opportunities to post and share the job posting. Erica committed to share within the Pittsburgh Food Policy Council network.

Board Self-monitoring

Zoe emailed a new D policy monitoring template to the full board after the last meeting and self-monitoring results submitted by each director were compiled and included in this meeting packet. Eddy provided feedback that the new template was a useful instrument, especially the ability to make comments. Zoe mentioned he had crossed out some early comments and used them to formulate further questions on the document. Results demonstrated low scores regarding the board's ability to fill empty seats in a timely manner, adequately orient new directors, receive feedback on their work, build board development skills, outreach to members, and having the president actively encourage everyone to participate. Results demonstrated high scores regarding the quality of board clerk performance. Results demonstrated the most standard deviation regarding the president actively encouraging everyone to participate, outreach to members, the board's ability to manage GM transition, and directors being thoroughly familiar with board packet material before the meeting. Directors considered how to improve and measure success regarding outreach to members and managing GM transition in the future. Eddy suggested seeking input from CDS consultant Rose Marie Klee at the upcoming board retreat. The board agreed to use this monitoring template every six months.

D2 Policy Revision

Zoe presented draft revisions to the D2 Board Job Description policy. Language in sub-policy D2.5.3 was revised from "endorse or reject a candidate" to "accept or deny an application for candidacy". A new sub-policy D2.5.3.1 was added, stating there are no circumstances which would establish automatic denial of someone's candidacy and further goes on to describe board process for considering a denial of candidacy.

Decision: Zoe motioned to accept revisions to policy D2. Emily seconded.

Vote: 5.0.0

B4 Policy Revision

Zoe presented draft revisions to the B4 Member Rights and Responsibilities policy. A new sub-policy B4.1 was added, stating the GM must make a good faith effort to keep members informed

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about elections and the annual meeting, and went on to define expectations and interpretations. Directors and managers present decided to amend the draft sub-policy with a more general interpretation of expectations. A new sub-policy B4.2 was added, stating the GM must not create an environment that discourages membership and member participation; details which defined and interpreted this policy were struck from the draft. Sub-policy B4.3.3 in the draft, defining a member's rights to refunded equity, was revised to be more general. A new sub-policy B4.5 was added, stating the GM must not make a major change (subject to reasonable interpretation) without providing substantive opportunities for member feedback. Eddy suggested any potential challenges to reporting on the policy would be apparent in the next monitoring report and could be addressed at that time.

Decision: Zoe made a motion to adopt the policy revision as amended. Emily seconded.

Vote: 4.1.0

Closings

The next board meeting was scheduled for December 17th. Submissions to the next meeting packet are due to the Board Clerk via email on Monday, December 10th by 8 a.m.

Member-owners Open Session

Faith thanked everyone for their efforts to create a satisfying and substantive Annual Meeting. Erica observed that several members of the Member-Owner participation committee were handing out flyers on the sidewalk instructing members to vote for a specific slate of candidates; she acknowledged that every member has the right to campaign as an individual, although she suggested, in her opinion, committee members could be more effective in promoting the values of democracy and member participation if they distributed general information on the voting process and unbiased information about the full range of candidates. Zoe noted members were campaigning as individuals and not as committee members.

Adjournment

Decision: Sarah moved to adjourn the meeting at 10:24 p.m. William seconded the motion.

Vote: 5.0.0

Minutes respectfully submitted by Erica Peiffer