

Adopted Minutes
East End Food Co-op Board Meeting
Held Remotely via Cisco WebEx
November 21, 2022

In attendance:

Board Members: Ariel Barlow, President; Tom Pandaleon, Vice President; Mia Sorada, Treasurer; Laura Valentine, Secretary, Brian Alderman; Debi Johnson; Marty Seltman

Management: Maura Holliday, General Manager; Jennifer Girty, Human Resources; Tyler Kulp, Produce

Member-Owners: Edward, Liz Geist, Josh Trapp

Board Clerk: MaCall Scott

Introduction

The Board President called the meeting to order at 7:01 pm and read the Ends Statement aloud.

The East End Food Co-op exists to enhance physical and social health in our community.

To these ends, we will create:

1. A sustainable member-owned business open to everyone
2. An ethical and resilient food infrastructure
3. A vibrant, dynamic community of happy, healthy people
4. A creative vision to transform the future

Check-In

Those in attendance checked in to express their feelings and any needs.

Amend/Approve Agenda

Decision: The meeting agenda was approved without objection.

Amend/Approve Minutes

Decision: The October meeting minutes were approved without objection.

Member-Owners Open Session

There were no comments from Members in attendance.

November Working Meeting Report

The Board met on Monday, November 7, from 7:00-9:00 p.m. with Co-op management to work towards the Co-op's expansion, including a discussion about a potential expansion-related membership pulse survey.

GM Update

Maura provided the following update to the Directors before the meeting:

This report is in addition to monthly monitoring reports. This update expects to give additional information to the Board of Directors that may not be included in the month's monitoring report. This report aligns with parts of sub-policy B7: Communication to the Board.... 'The General Manager shall not cause or allow the Board to be uninformed or unsupported in its work.'

Membership:

Current total member-owners: 15,943

New member-owners: 60 (6 refunds)

Total member equity: \$1,603,826

Register Round-Up Total:

October recipient: Co-op Community Fund \$526.73

November recipient: GIFT, Giving it Forward <https://www.giftpgh.org/>

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Operations Update:

- Thanksgiving is next week! Fresh turkeys arrive on 11/17!
- The renovation of the e-commerce area is ahead of schedule and behind schedule at the same time! The new carpets in the Front End and the public restroom area are installed, but the retail fixtures have at least a 12-week lead time, so we won't have them fully merchandised until after the new year. The bookshelves look great, and we are also re-merchandising flowers and gifts.
- Our in-house accounting platform changeover went live on October 28th! So far, it is smooth...I think.
- The bylaw postcard campaign has had approximately 400 responses of the nearly 7,000 sent. Around 75% that have responded have provided us with their email address.
- We are looking into getting the Sustainable Pittsburgh workplace designation.
- For the Pittsburgh City Paper Best Of contest, we won Best Neighborhood Grocer and were finalists for Best Smoothies and Juice.
- Our PRC Waste Audit resulted in our 2022 diversion rate increasing to 87.7%, up from 84% in 2019. With a few tweaks to our current process, PRC felt we could improve our diversion rate to 93.1%. We will review those recommendations and discuss what we can do and how.

Updates & Clarifications:

- The Annual Report will be published before the end of the year. Maura will include an expansion update in the Report.
- The front doors to the store are acting up; we are working on getting them repaired and are getting quotes on new doors (the current doors were installed around 2005).
- The PRC Waste Audit will be available for the board to see in its entirety with the following B10 report.
- Regarding the Sustainable Pittsburgh workplace designation, are there associated costs, and what standards would we need to meet?
 - There is an annual fee, but it is waived for this fiscal year; we may not have to pay it in the future because we are a not-for-profit. Maura isn't sure about the standards but thinks they may align with NCG's sustainability survey. There are accommodations made for those that rent vs. own their building. Elly is the driving force behind this effort; she thinks we'll qualify at least for the bronze level. We already have this designation for the Co-op's kitchen, so it should be pretty easy for the rest of the Co-op to qualify.

Management Report

- Jennifer Girty, the Co-op's HR Manager, reported that she and MaCall recently worked on assembling and distributing a Thanksgiving gift to staff members. The Co-op's Safety Committee is being recertified in December – this gives the Co-op a 5% discount on our Workers' Compensation insurance; that insurance renews in January, and Jen hopes that due to our lack of claims, we'll be able to see a reduction in our rates for 2023. MaCall has taken on a new role at the Co-op as Finance and Payroll Coordinator; Jen is interviewing candidates for the Administrative Assistant position, which includes the Board Clerk duties. Jen works closely with department managers to interview and onboard new staff members; we average one to two new employees per month.
- Tyler Kulp, the Produce Manager, reported large sales volumes and deliveries. We'll expect slow sales after the holiday on Saturday and Sunday. Some things are hard to get now: romaine hearts, red and green leaf lettuces, and green beans; we're trying to make up for it with extra brussels sprouts and asparagus. There's an excellent selection of bouquets right now, and we'll see wreaths and garlands come closer to Christmas.

B6 – Staff Treatment and Compensation

The Policy Register states, “*The General Manager shall not treat staff in any way that is unfair, unsafe, or unclear.*” Maura's narrative is that this policy can be viewed in two ways. First, the Co-op strives to be an excellent workplace. Second, the GM herself should treat staff well. This policy's limitations outline base expectations we aim to surpass.

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Ensuring employees are treated fairly begins with keeping up to date and adhering to all State and Federal labor laws. For the GM as an individual, when surveyed, compliance will be established by the survey responses about supervision from managers and staff who report directly to the GM. Maura reports non-compliance for sub-policy B6.1.7, “*Establish compensation and benefits that are internally or externally inequitable.*” She included in the report a remedy for non-compliance with hourly wage compensation.

Questions & Comments:

- Do you feel like appropriate questions are being asked of staff in the survey, and is it worth the cost of hiring a third party to administer it?
 - We’ve been working with this group for many years, and they do surveys for other co-ops so that we can compare our results to others.
- Have staff ever been able to weigh in on the value of these questions, and is there anything that would stop that from happening?
 - A few years ago, we tried to redevelop the questionnaire. The group that administers the survey was very reluctant to change the questions because they thought value would be lost in not being able to compare our results with the results of other co-ops.
- Could the full survey results report be made available to the Board?
 - Maura is willing to have more conversations if the Board has specific questions about the results but feels that sharing the full survey results may cross the line of the Board reaching too far into operations.
- Staff in the bargaining unit take a survey to evaluate their managers; is there a reason those results could not be included in the reporting of the B6?
 - It isn’t included because it’s not representative of the whole staff – only bargaining unit staff.
- In the amount of data and work that you (Maura) did on this report, do you feel the way the policy and sub-policies are set up is helpful? Is it complete? Is there room for improvement?
 - Maura found it helpful to be reminded of what we do and don’t do. This is the first year she included a remedy for a non-compliant sub-policy; she liked showing that she has the plan to become compliant.
- Are you looking for feedback on that remedy, and is there more that we should discuss?
 - Yes to both questions. Making changes to the parameters of the B1 is a way to approach this remedy sustainably.
- Do we have an explanation for the high turnover, particularly in the Front End and Café?
 - We don’t have an explanation other than it’s on trend for the industry. We feel part of the issue is around wages, which is one reason we are talking about raising wages mid-contract.
- Do we have exit interviews, and if so, what does that process look like? What do we do with them?
 - The department manager gives the form to the exiting employee. The interviews are voluntary and, if completed, are saved in a place where managers can access them. It’s helpful to know that we are doing things right and have a better turnover rate than the industry, but we also need to know what we’re doing wrong.
- When it comes to staff happiness, maybe it doesn’t matter how it compares to any other co-op. What matters is what’s happening in the store right now to the people who work hard to be there. Maybe we give it too much weight, and it keeps us from exploring more options and adding more voices to the conversation.

The Board discussed an action plan for approving this report. They decided to:

- Accept the report with consequences, with the intention that the consequences are defined later
 - To clarify, the consequences are not for Maura; they are consequences for the B6 report
- In parallel, with acknowledgment of the need to revise the policy; this is an action of the Board and GM together to revise the policy to ensure it best serves the Co-op

Decision: Motion to accept the B6 report as non-compliant with consequences

Vote: 7.0.0

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The Board completed the GM Monitoring Matrix, highlighting strengths and opportunities.

Committee Updates:

Resilience

The Committee is in a bit of hibernation, waiting to hear what's going on with expansion. Meanwhile, they're doing deeper work into "blue sky ideas" related to bioreactors and community kitchens.

Finance

The next meeting is one week from tonight; this is the first month of the Co-op doing accounting in-house. Mia has collected the face statements for the past six years and will work with Shawn to put together something to help new directors wrap their heads around the Co-op's finances.

Board Perpetuation and Elections (BP&E)

The Committee met last Thursday; they are working on onboarding new directors. Voting ends this Sunday. All newly elected board members will be met virtually during the week of December 12th to discuss the "meat and potatoes" of being on the Board. In January, a six-hour retreat will focus on team building and integrating into the Board.

Member-Owner Participation (MOP)

Marty and Liz will meet to discuss the Free Fridge (Freedge) mutual aid program. The survey committee met once and will meet again in early December. The volunteer program initiative is on hold for the time being, but a sub-committee continues to work on outstanding questions regarding member-worker programs.

Annual Meeting

The Committee is trying to book Frick Environmental Center for the 2023 Annual Meeting; they are trying to secure adequate indoor space in case of inclement weather. They are hoping for a date early in October.

Policy and Governance

The Board has been doing much work to restructure committees; the decision was made to do away with this particular Committee, but an ad-hoc committee will need to be made to do the work on rewriting monitoring report policies.

Capital Campaign

This Committee is on temporary hibernation. Mia has done a first draft of the case statement for the member-equity campaign and the 501c3 campaign.

Presentation: Committee Restructuring and Policy Governance Report Approaches Updates

Some of the changes we've been looking at relate to our board committees and the way we relate to these policy governance reports. These are internal changes to the way the Board is structured and operating that are intended to increase our effectiveness and increase board retention, mainly by decreasing the amount of time any one board member needs to spend on things and creating redundancy and focused areas of expertise on the Board so we can rely on each other more deeply.

The proposal is the refocus on five standing Board committees, with two board members (Chair and Vice-Chair), staff representatives, and committee members on each:

- **Member-Owner Participation (MOP)**

This committee generally continues as it has, focusing on Membership Involvement programming (survey, volunteer program, and other initiatives). We'd add to this the responsibility of the Annual Meeting.

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- **Resilience**

This committee generally continues as it has, focusing on developing “Blue Skies” ideas for the future of our Co-op given the changes in the world and community around us, as well as more practical endeavors and conversations to improve our Co-op’s resilience.

- **Board Perpetuation and Elections (BP&E)**

Responsible for the entire lifecycle of Board service, including recruitment (having a constant list of eligible and interested members), election (in close collaboration with the Marketing department), onboarding/orientation, and board development.

- **Finance**

Responsible for deeply understanding the Co-op’s finances and how they impact the Co-op’s future, working with management to develop the annual budget for the Co-op, creating the Board’s budget, overseeing the annual audit, and crafting the financial presentation for the Annual Meeting.

- **Compensation and Team Relations**

Responsible for analyzing and making recommendations to the Board for direct-report compensation (i.e., the General Manager); additionally charged with overall staff success, which can encompass collaborating with the Union, engaging staff owners, and other team matters.

The idea of refocusing the policy governance approach is to make it work better, increase board member effectiveness and knowledge, and create opportunities for increased collaboration on core Co-op topics by doing the following:

- A board member is aligned to a Monitoring Report for the year.
- The manager and board member collaborate throughout the year.
- The board member becomes an expert in the report’s topic area.
- At report time, the manager produces the policy report.
- The board member iterates and edits the report with the manager.
- They present to the entire board together.
- The board member champions any board action.

In some cases, reports align with committees that work on that topic. In other cases, board members will be appointed to focus on a report for the year.

Action Items

Directors and managers reviewed progress or lack thereof on action items from previous meetings.

Appreciations

Those in attendance took a moment to share their thanks.

Closing

Next Meeting: Monday, December 19, 2022

Packet submission due: Monday, December 12, 2022

Decision: The meeting adjourned at 9:34 without objection.

In the closed session of the November 21st board meeting, the Board and General Manager went into a discussion around the Board’s behavior in open session, and then the Board privately continued that conversation as well as discussed a committee restructuring proposal and shifting from Fleep to the Discord app for internal conversation.
