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Oregon Tilth, Inc. is a 501(c)(3) nonprofit organization that supports and promotes biologically sound and socially equitable agriculture through education, research, advocacy, and product certification.

Oregon Tilth Board Meeting Minutes

Tuesday, August 19, 2014

5:00-7:15 PM

Board Members Attending:

Lynn Youngbar
Susan Schechter
John Haapala
Steve Crider
David Granatstein
Ryan Wist

Staff Attending:

Jessie Hancock-Malo
Chris Schreiner
Erin O'Donnell
Ashley Covey (taking minutes)

Members/Public Attending:

Lynn Coody

Introduction & Agenda Review

Public Comment (none)

Consent Agenda

1. Minutes of 6-17-14 meeting
2. Chris' monitoring reports: EL 4 – Financial Conditions & Activities, EL 7 – Compensation & Benefits, and EL 9 – Ends Focus of Grants & Contracts
 - Consent Agenda: David moved to approve all items on consent agenda. Ryan seconded. **All in favor, motion passes. (6-0-0)**

Executive Director's report for July and August,

- Since board had strategic meeting in July, these reports were combined.
- New office in Mexico: It's a small office, one-room suite in office building. It has shared access to a conference room, good access and downtown location; no staff occupying it. We're using it for appointment only with clients. Located in central Mexico, close to area we have several clients. Since opening the office there with the intention of just fulfilling the requirement, we're really embracing our location there to provide client access.
- Ecert and Quickbooks integration efforts: Phase 1 will sync data from our accounting system to Ecert in real time. This is only component missing from the daily Ecert operation for our clients. Will allow staff to see client payment status and if they're in good standing with fees. Phase 2

will share payment info as part of the MyOTCO website so clients can access their info in real time and don't need to call in.

- Recruiting more growers for transition to organic effort: Funding from various sources to support marketplace analysis. Convene bigger organic buyers to identify what gaps in the supply chain. Specialty Crop Block Grant will pilot this market analysis for Oregon, with hope to provide model to replicate in other states / region. David notes WSU working on organic sales and yields data and trends for Washington; writing series of fact sheet for growers who are interested in expanding; what prices look like and some economical analysis. Might be opportunity to inform Oregon Tilth's work.
- **ACTION ITEMS: Chris will send his Executive Director's report to MAC.**

Update on MAC Charter

- Long process with MAC to get the board and Advisory Committee on the same page. Started working last December with the committee and board to draft a charter we could be in agreement with. The bulk of the work was done by Lynn Y, Lynn C, and Gay Timmons (MAC Chair). In May, board finalized a version of the charter for the MAC to review, based on a lot of back and forth and drafting questions. Board adopted it as final draft. MAC provided additional input on word choice, organization of information and a few substantive issues. Latest version accepted majority of MAC's edits, only a couple items that deviated from MAC's input worth discussion amongst board. Substantive changes made based on input:
 - Ability to have up to 12 members on MAC (change requested by MAC).
 - A request made by MAC but not changed in this version: MAC felt there needed to be difference between the charter and committee's procedures. The Charter is a document that sets up MAC and gives basic instructions, and the Procedures would be more detailed aspects for running a committee. The Charter still contains a language about the procedures, indicating they should be submitted to board for review; approval of procedures not specifically mentioned.
 - This is a Board-created committee. Therefore, we felt the Board needed to clarify what the purpose was (which was the charter idea). How the committee runs itself is a separate issue. Welcome the MAC coming up with a way for how they want to run themselves as long as there's not some red flag or a conflict. There's a difference between the Charter vs. how the committee wants to operate. If MAC wants additional procedures for how they govern themselves, all Charter states is review for agreement. Let's assume for the most part we can agree and they can come up with their own additional procedures.
 - *Next steps:* The Board approved a version back in May and this latest version doesn't reflect any substantive changes to content, except for total number of committee members. Board supports increasing number of members to "up to 12." Goal is to have Charter that both Board and MAC can agree on. Request for MAC to finalize input on this most recent version and send final draft reflecting their input to the Board for final approval of Charter.
- **ACTION ITEM: Working off this latest version, the MAC will send the Board their input for final draft of Charter for final approval.**

Recruiting new MAC members

- We've lost a number (5) of MAC members and we haven't invited interested candidates to serve since original committee was formed. The board appoints the MAC members. Would like board and MAC members to assist with recruitment.

- There are currently seven members on the MAC. So upping the number to 12, there would be 5 openings.
- Other order of business: The terms of service. The charter talked about wanting to stagger the terms of the MAC members so there aren't vacancies all at the same time. We could use our email newsletter and IGT announcements as recruiting mechanisms.
- We're waiting to finalize the charter. The board would need to appoint new members. There's the system for how we did it before – each person wrote a letter of intent for why they wanted to serve. Hopefully in a month or two we will have new MAC members.
- The MAC is on summer hiatus. Next meeting will be in September and they'll continue on a monthly basis going forward.
- Suggestion regarding T40 conference in November – if there are a number of Board and MAC members attending, maybe we can get together face to face. Board members attending conference would enjoy opportunity to meet. It will be a positive atmosphere to hold an informal gathering.

Board Audit Committee Report

- David Granatstein and Meta Loftsgaarden served on committee.
- Oregon Tilth staff did great job getting financial work done. We used same external CPA firm (Kern & Thompson) do audit of the work. There was only one “significant finding” which can't be resolved until there's a CPA on staff; many smaller-sized organizations face same issue, so this is common. Others items identified were process questions. The IRS Form 990 for 2013 looked good. We had a professional audit and everything came out looking good. Erin changed some statements so you can see expenses by program area. Revenues increased more than expenses from '12-'13 – very positive trends. Financial health looks good.
- With future audits, will there be any cost efficiency over time or will it cost the same over time? Should cost about the same.
- Are audited financials being used as we solicit new grants? Yes, in response to a couple federal grants we've applied for. In addition to federal grants, there are private foundations giving larger awards. Candidates for those awards are closely monitored regarding their financial management and controls. It's helpful to continue doing this.
- When did we start this? 5 years ago we started with a “financial review” - more limited version, and the past 4 years have been full financial audits resulting in audited statements. These audits are a lot of work for staff, but they're really important.

Update on Strategic Planning

- We're still in Phase 1 – This will result in “Identity Refresh” for who we are. As part of that work, the task force met last Tuesday and focused on the results and notes from July sessions with staff and board. Chris will capture fresh thoughts from last week's task force meeting to finalize language for the different “dialogue boxes.” Our goal is to have something for the board to review as a draft by the Sept board meeting.
- Meanwhile, we had assigned stakeholder interviews. The deadline for finishing our stakeholder interviews was last Friday, but there are a few people who haven't finished yet. And we haven't received the write-up form a few board members. We need those by next week. Please upload to dropbox and let Chris know when you've completed them.
- Next step is synthesizing all of that info from the interviews and capture themes, ideas and concepts to consider as we begin Phase 2 work. The task force will meet in early September after Steve takes a run at synthesizing the interview material. This summary will be important

information that we'll get ahead of time and factor into our retreat work and discussions in October.

- Where in PDX will we be having the retreat? It will be downtown Portland. Staff is finalizing lodging contracts now. Dates are October 18th - 19th. We'll try getting Steve Patty to attend next Board meeting for update prior to October retreat.
- **ACTION ITEM: As you finish your stakeholder interviews, let Chris know when you've uploaded your document(s) to DropBox.**

Agenda for Annual Meeting

- Reviewed last year's agenda for ideas. We had staff presentations on programmatic achievements and financial position. Board addressed members. We had appetizers and wine served afterwards, and a speaker who spoke for 30 mins. Since we're going to be at the T40, seeking suggestions on agenda items?
- Suggestion to engage membership somehow in relation to strategic planning process. Suggestion for speaker: Suzanne Morgan. Observation: wine, food and speakers will already be happening by attaching event to T40; also we won't have as much time for use of room. In prior years, we had speaker, food, drinks, to draw people in and have people stay.
- Make sure the board members meeting with MAC members doesn't fall get forgotten. Think about when and how this might best occur.
- As part of planning team of T40, they're giving representatives from each branch of Tilth Family Tree an opportunity to tell their story and highlight some of their work and history. Chris is working with Harry McCormick and Lynn Cody on this.
- Lynn Y will develop draft agenda for this upcoming year and get it around to people.
- **ACTION ITEM: Chris will connect with organizers of T40 to get details on conference agenda and how much time we'll have for annual meeting. Lynn Y will create draft agenda for the annual meeting.**

Board development committee –recruiting board members to run for election

- One of our distinguishing characteristics at our annual meeting is when we count votes for new board members. We need to be thinking about new board member recruitment. David and Susan's terms will be up. And while you're welcome to run for re-election, you'd need to do that. And we'd also have to hold an election.
- Per bylaws, the nominations need to go out 60 days prior to annual meeting, so early September we'd need the call for nominations. They need to come back to the OTCO office 30 days prior to meeting. Then once we receive nominations, we'll send out ballots, which would go out 20 days before annual mtg.
- Timing for mailing out nominations is coming up soon (must be mailed by Sept 10th). Need to update nomination form with current information.
- Lynn Y and John are on board development committee, so should review that form next couple weeks and to get input from board to finalize form.
- Let's assure the Board they will have a nomination form to review a week prior to Sept 10th, so around Sept 3rd.
- Chris volunteers to update the 2013 nomination form to identify which positions are available and when terms begin, and then share it as a starting draft with John and Lynn Y. Expect a draft from Chris by end of the week.
- **ACTION ITEM: Chris will update update the 2013 nomination form to identify which positions are available and when terms begin, and then share it as a starting draft with John and Lynn.**

Discussion of G-6 Board Members' Code of Conduct

- This had dropped off radar. We want to get back to working on our board policies. As a little bit of background for Steve and Ryan as new board members, we've implemented policy governance model almost a year and a half ago. The board really started working on their policies and then we addressed some other issues that were begging for attention (office move, charter, etc.), and thanks to John for getting us back on track with our policy governance.
- John took the opportunity to use language directly from the Oregon statutes and embed it in this policy. By adopting this language, board has a more defensible position to demonstrate awareness of statutes. It's written to both to impress upon us that we understand the obligations and to present us with at least an ongoing reporting of monitoring.
- Chris suggested changing section regarding removal of board members to require a two-thirds majority vote to align with language in our bylaws.
- We now have several different drafts and board members are encouraged to review them side-by-side. Lynn will send out the different drafts of policies after meeting for review.
- Everyone will forward John their comments and he'll add them to the document. Goal is to get this on consent agenda by next mtg.
- One other point brought up by David regarding conduct of board members amongst themselves. This was removed from John's latest version. Interest in turning that into a new governance policy? If there's only one policy governance piece, we can add it to G6. But maybe there's more, so might need a new G policy. After reviewing drafts, provide input on whether to add conduct amongst board to G6 - code of conduct, or if we need another G policy.
 - **ACTION ITEM: Lynn will send the different draft policies out after the meeting so everyone can review them.**

Misc. Items

- Susan has a conflict for our next meeting in Sept. Can we shift it one day before or after?
- Monday doesn't work for Steve. Lynn can do Monday but can't do Wednesday. The 16th might not work for David too.
- Would the following week be a better option? The 23rd. That's usually when the MAC schedules its calls.
- Susan will put a doodle together and throw various dates out.

Lynn: This next meeting will be an important one, getting us in the mindset for our strategic meeting retreat.
- Did the board consider paying for registration at T40 for board members wanting to attend? Expenses for attending conferences and trainings was factored into board expense line in 2014 budget. Those board members who want to attend T40 conference should register and submit reimbursement requests. Erin O has reimbursement form she can send out.
 - **ACTION ITEMS: Susan will send out a Doodle poll for the next Board meeting. Erin O'Donnell will send out the reimbursement form to board.**

Adjourn meeting