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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, January 21, 2014**

**5:00-7:00 PM**

### **Board Members Attending:**

Susan Schechter  
David Granatstein  
John Haapala  
Lynn Youngbar  
Meta Loftsgaarden

### **Staff Attending:**

Chris Schreiner  
Connie Karr  
Jessie Hancock-Malo  
Erin O'Donnell  
Ashley Covey (Taking minutes)

### **Members/Public Attending:**

Lynn Coody  
Rebecca Willows

5:00-5:10

Welcome, Introductions, Logistics

5:10-5:20

1. Member Comment

- Lynn Y: Attended GMO labeling campaign meeting; It was the first meeting to share the general strategy how they're moving ahead with labeling GMO campaign in OR and what the polling shows.
- David: Public comment on-browning GMO apples has been extended to Jan 31<sup>st</sup>. Chris: We haven't submitted any public comments on it and do not intend to do so.

5:20-5:30

2. Board Officer Elections

- Board officers nominate and select our own officers for the board. We could take nomination from the floor and vote. This is done annually. We should have a written process that can go into a future Board Manual.

- A. President: David nominates Lynn Y. All in favor.
- B. Vice President: John nominates himself. All in favor.
- C. Secretary: Lynn nominates Susan. All in favor.
- D. Treasurer: Susan nominates David. All in favor.

5:30-6:25

3. Consent Agenda

- A. Minutes from 12/18/13 meeting
- B. Monitoring Reports

*EL-6 Asset Protection:* Susan: Discussion about this particular piece ("make any purchase over \$10k without following procurement...") Can we rewrite this piece? Because

Organicology and signing contract and check isn't a purchase. "Make any purchase or financial commitments over \$10k" and that would cover a situation like Organicology.

**Susan will have this policy rewritten for next board meeting.**

*EL-4 Financial Condition and Activities*

- Chris: Example of a \$25k or \$30k purchase: Ecert support, maintenance and license fees, our rent would exceed that over course of 12 months. Splitting payments over time isn't a way to get out of this policy.

John: In the last year we've had one review and approval of >\$10k purchase. I'm not comfortable unleashing more than \$10k expenditures.

Susan: Sounds like \$40k is too much, \$10k is too little, what about compromise at \$25k?

John: No, \$10k worked last year. I see no reason to change it.

David: We'll have to see why we have two different numbers in our documents.

Susan: Oversight of changing one policy and not the other. If we change the language to include "financial commitments," other things will come up. If I were interpreting this policy, I wouldn't consider rent being a part of this policy.

David: Agreed. This policy applies to expenses that have not previously been accounted for, budgeted for, etc. That's the difference.

Lynn: Let's keep it at \$10k for another year and line up the other policy that has \$40k in it by reducing it to \$10k as well. We can always change it if necessary.

- John: Kudos for style guide

- Tracking versions of policies is important – the ability to track down old policies is important to understand revision history.

- C. Policy Rewrite: Job Description – Lynn Y took this on and did some rewrites and want to make sure everyone had chance to look at it. G2 rewrite now has same requirements of board members as we have in our recruitment packet for prospective board members.
- D. Financial Conditions & Activities: Susan: In reviewing EL4, there was some discussion about 4.9 and adding Organicology expense approval in supporting information section. In the revised report, you included this expense but you didn't say by how much the expense exceeded the \$10k limit. In the future, it'd be good to specify this dollar amount. Regarding 4.10, does OTCO have any contracts right now?
  - Chris: We have a lot of contracts. All of our cert clients sign contracts with us, our contract inspectors and other professional service providers sign contracts; we have contracts for leased office space and equipment, etc. It would be time-consuming process and lengthy list to compile them all.
  - Susan: In future report, I'd like to see something about what contracts currently exist.
  - \*David: Question regarding EL4 – the deficit: The ED shall not incur deficit. What if we get into financial regime involving multi-year budgets in which one year was planned for deficit and offset by a rainy day fund? I'd hate to see this called not in compliance. This could be a little restrictive, but we can discuss it later.
  - \*\*Lynn Y: Concept of current ratio. It's a new concept to me and I'd like to understand it better. Can we also come back to this?
- **ACTION ITEMS: Susan will have EL-6 Policy rewritten by next meeting. Come back to David and Lynn's questions (\*EL4 and \*\*Current Ratio concept).**
- John wants to review G2 again for next agenda, ready to accept policy rewrite at next meeting.
- Board job description to next meeting.
- **David motions to approve consent agenda, including Dec board mtg minutes, EL4 and EL6. G2 removed from consent agenda. Lynn seconds. All in favor.**

- Susan: Thank you for creating readable report; please use the same date for each month for membership comparisons. If we can stay on same date of each month, it would mean more to me.
- Chris: I can explain why it's been on different dates – eCert right now has automated queries to do necessary filters to come up with those figures. But it just gives me those numbers on the particular day the query is being run. Depending on the day of the week I'm writing ED report, that's when I get numbers from the system. Board meetings fall on different dates of a given month and my Exec Director reports are due on different days of the month, so sometimes that's why it's on different days. Numbers must be pulled on that exact date to get that date's figures.
- Lynn Y: The different dates are only a few days apart, so I wouldn't expect any significant changes in number of members to occur in that short period of time.
- Susan: "On page 4 under Advocacy, it says "Chris Schreiner will attend..." I'd like to hear you speak in first person. Chris: Since this report also compiles info from other program staff, there used to be confusion with who "I" was. As a matter of form and clarity, I simply name the staff person, even when it's me.
- Lynn Y: All these people who are attending seminars, is there a way to let them know we'd appreciate their membership? Along those same lines, I'd glad to see that we are developing a system to track cert leads through staff. Great job on all of that.
- John: Chris, looking at membership numbers, the non-certified members are slightly decreasing. We don't publish IGT much, it's not surprising those numbers are going down. These new positions – I'd be interested to see how these fit into our strategic plans. I'd like to know when we've lost or gained positions; How many employees total do we have?
- Chris: To clarify, in future board exec reports you want stats on number of employees?  
John: Yes. Chris: Ok.

6:45-7:25

#### 5. Committee check-in

- A. Rebecca: I don't have anything new to report because we didn't have meeting in Decmeber. Next meeting is for next Tuesday, January 28th.
  - John: Have you seen this proposed charter the MAC drafted?
  - Lynn Y: Last night I sent it to Lynn C. and Gay.
  - David will be representative of Advisory committee with Lynn as the alternate.
- B. OTCO Management Review—David: This has involved looking at different reports from different audits during the last year and if everything looks like it's in good shape, any suggestions. There are a number of documents you need to read from auditors. To clarify, this isn't financials audit by CPA firm. This is audit of certification program (i.e. OTCO) by accreditation bodies and internal auditor we hire. When I've done this with other people, we've put our comments together. One will write initial report, the other will weigh in with additional comments and we'll come up with final draft. It doesn't need to be approved, but needs to be presented. **David and Susan will be on this committee.**
- C. Audit—David: This involves outside financial auditor. This is not the audit of the certification program, this is audit of financial records by independent financial firm. We've decided to do this every year. **David and Meta will serve on this one.**
- D. Investment Committee—David: I'm not sure this one is in bi-laws; I think it was made later. I don't know if it's required, but this is less formal. This committee meets quarterly with investment advisor, Erin O'Donnell, and Chris, to review what's going on with investment portfolio and any potential strategy changes. Rainy day fund idea and withdrawal policy the board approved last year, etc. **John and David will be on this committee.**
- E. Nominating Committee – Needs defining and it needs a process. Lynn Y. started process for appointments and we have document for appointments. We need to make sure

we're all looking at finding potential board candidates. **Lynn and John will be on this committee.**

- Lynn: I sent out draft procedure for board appointments recruiting. We need to get our board members up to at least the 7 that should be serving. We have two people who have submitted applications of interest and we need to respond to them. David made some comments on my draft procedure and Susan did, and I think I incorporated most of those, so I'd love to see us adopt it and work with it, and we can always revise it.
- John: Can we add in something between #9 and #10 about how many votes we need?
- Lynn: Is there something in bylaws about how we nominate? No, we know how we elect, but how do we nominate them.
- Susan: A quorum would be 60% of however many board members. Or a majority would be 51%.
- John: This is the kind of thing that starts as a policy and should find its way into the bylaws. The bylaws will need to be specific if it's majority, quorum or unanimous.
- Lynn: Let's make decision by consensus and then if we can't get it by consensus, we'll go to majority.
- Susan: Lynn can you resubmit this document and can we agree to it at our in-person meeting in Feb?
- Lynn: Can we agree to it via email? There are three weeks until in person meeting, but I have a couple people I'd like to talk to.
- John: I don't think this needs to be in place in order to talk to people.
- Susan: I think we can approve this process electronically outside the meeting. It's the actual appointment that needs to be done in the meeting. Just to figure out a way to deal with our vacancies.
- John: I don't agree this can be decided outside the meeting. We need to maintain transparency. Approval of this document should go on public record.
- Lynn: It's in draft form.
- Susan: Let's table this discussion and look at it in our in-person meeting.
- David: Can we have some interaction on potential changes to it via email? Not to approve it but to just discuss it and make some progress?
- Lynn: I invite anyone who has any ideas on board members to talk to people.
- **John nominates himself and Lynn for nominating committee.**
  
- Lynn Y: MAC Charter has been sent to Lynn C. and Gay. Would be happy to attend Mac meeting next Tuesday to discuss it.
- Lynn C: It doesn't leave the MAC much time to discuss it next week. We can try to get it on next meeting, but it would be a short turnaround for comments.
- David: Lynn Y. looked at what Lynn C. wrote and saw overlap, so there's pretty good congruence on everything already.
- Lynn C: Will shoot to get comments by Feb 5<sup>th</sup>.

#### **ACTION ITEMS:**

- **Board will engage in email discussion regarding changes to Nominating Committee**
- **Review of Mac Charter: will be discussed at in-person meeting.**

7:25-7:30

#### 6. Other Business & Announcements

- A. February meeting agenda – 2-day in-person Board meeting in Portland on February 8<sup>th</sup> and 9<sup>th</sup>.
- B. Sign up for writing
  - i. IGT -*skipped*
  - ii. E-news-*skipped*
- C. Review board calendar -*skipped*