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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, April 15, 2014**  
**5:00-7:47 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:**

Gay Timmons  
Kathy Ging

Welcome, Introductions, Agenda Review, and Reminders of Ground Rules.

- Retreat in February: agreed on ground rules—"Creating Ground Rules" document review. If you want to speak, type "speak" in the chat box and click enter. Chair will monitor.
- Documents provided 14 days ahead of agenda include items for consent agenda, or other things that need longer pre-meeting discussions

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1. MAC Report/Update on Charter & Recommendations on Restructuring OTCO.

- Gay Timmons: We talked about the issue of GMO – hot topic with us –anyone doing business in the organic industry is deeply impacted by this Non-GMO Project issue. We had extensive discussions about it. Regarding the value of creating an LLC: provided overview of 9 points we came up with (in minutes from Advisory Committee).
- Lynn will send MAC meeting minutes to board members after the meeting.
- Lynn: We've brainstormed names of potential new board members. We're in the process of recruiting new board members. We think there is a pool of good candidates, and they're not certified by OTCO, but many are very knowledgeable about Tilth..
- John: Restructuring may require all certified operations to re-certify under the new organization.
  - Gay: The only thing that would happen is getting a new certificate with a new name on it. The NOP requires the transition plan be spelled out for everyone. I wouldn't anticipate there being any additional costs for any applicants.
  - John: I welcome you to draft your points and write it up.
- **ACTION ITEM:** Lynn will send board members the minutes from the Advisory Committee after tonight's meeting.

## 2. Charter and Procedures document review

- Lynn reminds board: Revised purpose, scope and authority is what we agreed to at our February retreat
- Meta: I'm fine with the revised purpose.
- Question raised by the MAC: Can someone come back to the MAC after they've sat out a term?
- All agreed to have MAC serve two consecutive 3 - year terms. Can be appointed again after they sit out a term. MAC terms should match the Board's; which might change when we change the by-laws.
- Lynn: L3—This is an edit I made; the original language said we would issue a public announcement to recruit membership, and in fact we're only recruiting from members. We only need to issue a request for interest/nomination to our members for service on the MAC
- L4. Conflict of Interest—this is just to make it clear about personal interest vs. company interest. **All agree on language on conflict.**
- L5: The MAC wants to know, regarding termination—what if the MAC disagrees on the Board wanting to terminate a member?
  - Discussion: The MAC is appointed by the Board. If the Board wants to terminate a member, then the Board makes the decision. To respect cooperative spirit and good communication from both sides, the board should provide the MAC with very specific reasons for termination.
  
  - All agreed to add that language to the termination item.
- L6: MAC is asking for the Charter document to be broken into three separate documents. Lynn thinks keeping it all one document will be easier to maintain. All agreed to keep the document in one. The MAC can add other rules/documents of their own if they would like.
- L8: "Special meetings" could be worded differently. Maybe we can phrase it differently, such as "issue specific."
  - What does "special" mean? We want to be clear there are no efforts to hide anything.
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  - After discussion, we agreed to change special meetings to "Any special meetings open to the general membership."
- L9: In regards to notice to MAC when board takes action on a recommendation: We respond within seven days of a meeting on our decision on a recommendation, even if we need a couple months to decide.
  - Susan: I'd recommend 10 days.**All agreed to change to 10 days.**

Lynn thanks everyone for their patience and perseverance in working on this document.

**Public Comment:**
- Kathy Ging: As a member of Oregon Tilth, I wanted to ask for board members to have an email from the organization about OR GMO-labeling petition which can be sent electronically to people. We'll return to this at the end of meeting.
- Issue of legalizing & certifying medical marijuana as organic
  - David: Another certifier has heard that the NOP is silent, but said off the record because of the conflicts with the Feds, you could jeopardize your certification by certifying a material that's illegal at the federal level.

1. February Board Retreat meeting minutes
  - Lynn: I think we can post the minutes from entire weekend, but I'd like to pull out the conversation on strategic planning, because it is still a work in progress. **All agree. Lynn motion to adopt minutes as presented, pulling out the section on strategic planning. Meta seconds. All in favor, (5-0-0).**
2. EL-6 Asset Protection rewrite by Susan on \$10,000 purchase or financial commitments
  - **We're going to put this off because we'll have to re-group and re-visit it.**
3. EL-2 Treatment of Staff
  - Meta motions to approve EL-2 monitoring report. John seconds. **All in favor, (5-0-0)**
4. Lynn & Susan report on which G (Governance) and M (Board-Management Linkage) policies we will work on this year.
  - Board Members Code of Conduct: At the next meeting it will be in the meeting materials two weeks in advance. We want you to read it as is and then have discussion about it, then decide if we want to rewrite.
  - **All agree to review and discuss as it and then rewrite.**
5. Board Calendar for 2014: can be found in February meeting minutes
  - **ACTION ITEM:** Susan will send February meeting minutes to Chris to post to Web site

### 3. Chris's Monthly Report & Monthly Financials

- Open to any questions from board members on report:
- What is Sarah Brown doing for outreach to membership?  
She's planning to do a survey of members regarding opportunities and needs of members.  
What's she doing on Food Safety?  
More to do with good ag practices, being prepared for pending Food Safety Modernization Act requirements. Oregon Tilth sent out survey to inquire about interests and needs regarding topic of food safety.  
Look forward to hearing more after getting survey back, and doing cost-analysis for any new services offered. Great work on rate of renewal apps and getting inspections scheduled.
- Connie: Non-GMO Program Testing--Currently a lot of demand for labeling Non-GMO. There's still a need because operators are still choosing to get certified for Non-GMO for their labeling. We've explored partnering with the Non-GMO Project since it's already recognized and I wouldn't want to create a standard, procedure, and protocols, and then market that new standard / brand. We have opted to not partner with the Non-GMO Project at this time. OTCO does 5% residue testing and we have some GMO testing as part of our protocol.

### EL 4 Financial Conditions and Activities

- David: It might be good to see multi-year comparisons. Had we had good multi-year tracking in the past, we would have known there were problems. . But now we have it.
- Future Discussion: Are our different certification systems attracting enough clients/income to offset the cost of offering the certification service to that standard.?
- Discussion of the Cost of Goods vs. Expenses model. Because the bulk of staff is devoted to certification, would it be easier to put everything as Expense? And back out the very non-certification specific items?
- Why is Mexico certification—47% under?  
- Erin: I'll look into that and dig deeper. I think it's because of their renewal dates; the majority are on the April 1<sup>st</sup> renewal date, so they haven't come in yet.
- David: can you give us a sense when the current ratio hits its lowest and include that in the narrative?

- David moves to accept the EL4 Q1 Report; Susan seconds. **All in favor (5-0-0).**

#### 4. Strategic Planning Updates

- Report by Ad Hoc Committee (Lynn, Chris, Meta)
- Lynn: We talked to potential consultants—the budget could end up being more than I thought it would be, but we still don't know because the plan is to ask consultants for a proposal. Chris: It wasn't in the 2014 original budget but Tilth has notable savings and the organization could absorb the cost without adversely affecting the programs. The Board would need to approve this as a non-budgeted expense.
- Concern expressed about cost. Review potential phases for Strategic Planning Effort document.
- Lynn: It's important we get feedback from members and stakeholders about Tilth and future of Tilth to incorporate into our strategic planning process.
  1. Information Gathering Phase (May – June). Outreach to stakeholders and Environmental scan.
  2. Strategic Planning Phase (July – Sept). Board and Exec Management team strategic planning; staff strategic implementation; board strategic planning
  3. Strategic Mapping (Oct – Nov).
- With the Phase 1 components about the environmental scan, outreach, interviews, etc, it costs more because none of us have the time to do this. We end up paying someone.
- Has the committee looked at reports that have already been done for the organization?
  - Not yet. We need to gather up the documents and reports we already have. And then start talking to contractors to see what they'd suggest for the process.
  - The board needs to come together before we start this process to be sure we are getting at the key issues before we start. We will have a full board review of the scope before we make any final decisions and before we agree to the cost.
  - We have three names and will add a few more names to the list.
- The last time a strategic plan was done, what worked and what didn't?
  - Chris: We hired a firm to conduct a stakeholder survey conducted in May 2008 as a stand-alone item/project. In 2009, we brought on a consultant to do strategic planning. Want to improve this process in two areas: First, engagement of members and stakeholders; Second, how do we measure outcome? More of a metric evaluation component included this time. Good to have this information-gathering phase and we have good documents to draw from.
  - Agreement that we will hire someone to do the document review and then meet with the board to discuss how we design the process knowing what we need and where we want to go.
  - Regarding some of our meeting dates for in-person work—we'll need to talk to consultants first and then get the timing of this and the dates on the calendar. We'll do this on a doodle poll.
- **ACTION ITEMS:** Lynn will send Doodle Poll for meeting dates when we have a clear timeline.

#### 5. Committee Reports—Nominations Committee

- Final appointment process for board members is in drop box under Nominations Committee and it is exactly we how described it in the diagram we agreed to at the meeting in February. Everyone agreed.
- We also have an appointment application form that we modified from the board elections nomination form,
- Can we report and progress on tracking new board members?

- Two people have already expressed interest last December. We'll contact them to see if they are still interested and send them the information, and if they're interested, John or Lynn will contact them.
- We will continue to pursue additional candidates to fill two slots.

#### OTCO Management Review Committee Report for 2013

- David: On dropbox, you'll see the final version of the report. The most recent changes are noted using track changes. Overall, things looked good. A couple items for staff to respond to by June noted at the end of the report.
  - Thanks to David for doing this report. Lynn motion to accept the report with the changes indicated. John seconds. **All approve, (5-0-0).**
- Kathy Ging-public comment: Asked for Tilth support in distributing the Non-GMO electronic signature gathering sheets
    - Chris: Communicate to members in OR about the opportunity to sign petition to get Non-GMO Labeling initiative on November ballot
    - We would consider possible endorsement, once we review the petition, and understand what's actually going to happen; but timing will be critical during signature gathering phase.
    - Board agreed they are comfortable with sending message to Oregon members with a cover letter, to make sure they have the opportunity to sign. Not as an endorsement, but as an education service on the opportunity and process for getting initiative on the ballot.

Confirm next meeting date, May 19, 2014. This works for everyone.

- Lynn will notify MAC about this date change.