

FIDDLEHEADS
BOARD OF DIRECTORS MEETING
November 18, 2014
6:30-8:30 PM
105 Huntington Street, New London

Time	Topic	Resource	Board Action/ Outcome	Leader
6:30	Meeting Preamble <i>Each of us is a member of the coop community and has been elected to be leaders in serving our members. May we conduct this meeting by empowering each other, treating each other with kindness, and maintaining an atmosphere of mutual respect.</i> Check-in			President
6:30-6:35	Agenda Review		Make any needed adjustments	President
6:35-6:45	Minutes November 5		Approve	President/Secretary
6:45-7:15	Board Discussion <ul style="list-style-type: none"> • GM Qualifications Checklist (Board Packet) • GM Search Committee 		Complete qualifications checklist Appoint Search Committee chair to write charter and recruit members	President
7:15-7:30	Monitoring Report <ul style="list-style-type: none"> • B1 Quarterly Financial Condition (Board Packet) 		Accept Report	
7:30-7:35	Follow-up Reports <ul style="list-style-type: none"> • NCGA Development Cooperative Contract • Board-GM Discussion with Staff 		Listen to information	
7:35-7:45	Action Items <ul style="list-style-type: none"> • CBLD Contract for 2015 (Board Packet) • Board Budget (Board Packet) • Board Calendar (Board Packet) • Electronic Communication Guidelines (Board Packet) • GM Search Support Contract (Board Packet) 		Accept Accept Accept Accept Accept	
7:45-8:15	Executive Session <ul style="list-style-type: none"> • To discuss Personnel Changes 			
8:15-8:20	President's Report (Board Packet)		Ask any questions	President
8:20-8:30	Closings <ul style="list-style-type: none"> • December 16 draft agenda (Board Packet) • Meeting Checklist <ul style="list-style-type: none"> ○ Everyone was present physically and attentively ○ No sidebar conversations ○ Maintain topic focus ○ Everyone had a voice and was heard ○ Be honest but not brutal ○ Don't monopolize ○ Clarify the purpose of each agenda item to begin ○ Signal if you feel personally attacked, 		Review Evaluate meeting process: what worked and what needs improvement	President President

	disrespected, or put down			
	<ul style="list-style-type: none">• Review Decisions, Tasks, Assignments• Adjourn Meeting			

BOARD PACKET:

- 1) Draft November 5 Minutes
- 2) Draft qualifications checklist
- 3) Monitoring Report B1 Quarterly Financial Condition
- 4) Quarterly P&L Statement
- 5) CBLD Contract
- 6) Board Budget
- 7) Board Calendar
- 8) Electronic Communication Guidelines
- 9) GM Search Support Contract
- 10) President's Report
- 11) December 16 Draft Agenda

FIDDLEHEADS BOARD OF DIRECTORS

Board Meeting of November 5, 2014 [Draft prepared November __, 2014]

I. CALL TO ORDER

Susan Zimmerman called to order a special meeting of the Fiddleheads Board of Directors at 6:32 p.m. on Wednesday November 5th, 2014 at 105 Huntington Street, New London, CT.

II. ATTENDANCE

The following Board members were present:

Susan Zimmerman, President
Mark Roberts, Vice President
Sue Phillips, Secretary
Carolyn Wilson (arrived 7:17 p.m.)
Mona Harmon-Bowman
Suzanne Cattanach (by conference call)
Ellen Clinesmith

The following Board Members were absent:

Ed DeMuzzio

The following additional persons were present:

Hinda Kimmel, Employment Attorney
Alyssa Skaves, Recording Secretary
Sheila Herbert, Acting Co-Manager
Kristin DeMuzzio, Acting Co-Manager

III. AGENDA REVIEW

Summary: No changes.

IV. MEMBER COMMENTS

No members present.

FIDDLEHEADS BOARD OF DIRECTORS

Board Meeting of November 5, 2014 [Draft prepared November __, 2014]

V. EXECUTIVE SESSION TO DISCUSS PERSONNEL MATTER

Motion to go into executive session at 6:34 p.m. and to include Hinda Kimmel.

Motion: Mark Robert

Second: Mona Harmon-Bowman

All in favor.

Executive session was exited at 8:02 p.m. No notes were taken and no voting occurred.

Carolyn Wilson arrived and joined executive session at 7:17 p.m.

Motion to terminate Richard Virgin, General Manager.

Motion: Susan Phillips

Second: Mark Roberts

All in favor: 6

Suzanne Cattanach opposed

Motion to retain Frank Liberty to resolve matters relating to personal property.

Motion: Susan Phillips

Second: Mona Harmon-Bowman

All in favor: 7

Suzanne Cattanach leaves the meeting.

V. MINUTES OF PRIOR MEETINGS

A. Minutes of September 30th

No changes.

Motion to approve: Mark Roberts

Second: Mona Harmon-Bowman

FIDDLEHEADS BOARD OF DIRECTORS

Board Meeting of November 5, 2014 [Draft prepared November __, 2014]

All in favor: 6

B. Minutes of October 13th

No changes.

Motion to approve: Mark Roberts

Second: Mona Harmon-Bowman

All in favor: 6

Ellen Clinesmith abstaining

FIDDLEHEADS BOARD OF DIRECTORS

Board Meeting of November 5, 2014 [Draft prepared November __, 2014]

VI. PRESIDENT'S REPORT

Overview: Written report is in Board Packet.

No discussion at this time.

VII. MANAGERS REPORT

Overview: Written report is in Board Packet.

No discussion at this time.

VIII. CONSENT ITEMS

Motion to approve items on consent list: (Board Monitoring Reports C3 Agenda Planning and C4 Meetings).

Motion: Ellen Clinesmith

Second: Mark Roberts

All in favor: 6

IX. BOARD DISCUSSION

Written report is in Board Packet.

A. Staff Communication: The Board would like to broaden its communication with Fiddleheads' staff. They feel it is important to clarify and discuss the differing roles of the Board, General Manager, and staff, and policy governance as a tool in organizing broader governance. Mark Roberts and Carolyn Wilson will work with the acting co-managers to facilitate this discussion at the November 17th staff meeting at 2pm. The acting co-managers and the participating Board members will meet prior to organize their presentation.

FIDDLEHEADS BOARD OF DIRECTORS

Board Meeting of November 5, 2014 [Draft prepared November __, 2014]

No motion required.

B. NCGA Development Cooperative Contract: A lack of clarity exists in the correspondence between the contractor and NCGA Development Cooperative. The Board's letter of intent had expressed plans for a build out, however, it remains unclear if NCGA received the letter of intent or not. The acting co-managers are going to follow up with both the contractor and NCGA to determine where the lack of communication lies.

X. GM MONITORING REPORT – Policy B6: Staff Treatment and Compensation

Monitoring report is in board packet.

The Board found the interpretations to be reasonable. There is currently very little data, but the acting co-managers will contract with Carol Lee Colter at CDS to develop a staff survey to aid them in gathering data for future monitoring reports. Acting Co-Managers proposed pushing back the date for the Staff Treatment and Compensation Monitoring report to allow for data collection and compilation, however the Board suggested leaving the date set as is stands with the expectation of perhaps entertaining a proposal in the spring to push the date back. At the November 18th meeting, the co-managers and Board will discuss the acting co-managers' roles, and future plans for hiring a GM to help determine the appropriate work load and titles for this interim period.

Motion to accept GM Monitoring Report B6 - Staff Treatment and Compensation, noting specifically that Board appreciates how comprehensive the report is although in the future Board may make more specific requests surrounding structure, format and streamlining.

Motion: Ellen Clinesmith

Second: Mark Roberts

All in favor: 6

FIDDLEHEADS BOARD OF DIRECTORS

Board Meeting of November 5, 2014 [Draft prepared November __, 2014]

XI. REVIEW AGENDA FOR NEXT MEETING

Will add an executive session for discussion of personnel matters.

Board discussion will focus on GM search process and formation of search committee.

President’s Reports may become obsolete but we will continue to have them until all current personnel matters completely resolved. Sue Phillips will take the lead in communicating with Frank Liberty regarding personal property issues.

X. ADJOURNMENT

Motion to adjourn at _____ p.m.

Motion: Mark Robert
Second: Ellen Clinesmith
All in favor

* * * * *

Draft minutes prepared by Sue Phillips and Alyssa Skaves on November 5, 2014.

Draft minutes reviewed and prepared for submission to Board by Sue Phillips on November 11, 2014.

Minutes approved by vote of the Board on _____ and put into final form by Sue Phillips on _____.

Qualifications Work Sheet

Please rate each qualification using the following scale:

- **R-Required:** Without this qualification, the candidate will receive no further consideration.
- **HD-Highly Desirable:** Without this qualification, the candidate may be considered but is not guaranteed an interview.
- **MD-Moderately Desirable:** This qualification could be useful but is not necessary.
- **n/ a:** This qualification is not applicable to our co-op.

“Hard” Qualifications”(specific 'skills-or-experience-verifiable on a resume)

Bottom-line accountability experience	HD
Retail management experience	R
Experience in the natural foods industry	HD
Retail natural foods experience	HD
Conventional grocery experience	MD
Independent (as opposed to chain) store management	MD
Cooperative management experience	HD
Experience working for or serving-on-boards of directors.	MD
Experience with Policy Governance	HD
Strategic Planning Experience	R
Ability to evaluate and determine appropriate strategic changes	HD
Experience with-operating, capital, and cash budgeting	R
Ability to interpret financial statements to laypeople	MD
Ability to make financial investment decisions	MD
Supervisory experience: hiring, training, evaluating, compensating, firing	R
Experience Supervising Managers	HD
Demonstrated ability to develop systems	HD
Computer literacy	R
Knowledge of current trends in the natural foods industry	HD
Marketing and merchandising ill highly competitive markets	HD
Other	HD

“Soft” Qualifications (skills that don't necessarily show up on a resume)

Ability to articulate a vision and get group members to buy into it	
Ability to be proactive and keep momentum going for growth and change	
Ability to motivate, lead, and coordinate people to gain cooperation	
Ethics	
Ability to make tough decisions	
Ability to build an effective management team and board	
Respect and support for the board's process	
Ability to manage own and others' time	
Ability to handle multiple demands	
Ability to listen	
Ability to present spoken and written information clearly	
Ability to- give and receive feedback without defensiveness	
Openness to good new ideas, regardless of where they come from	
Sense of urgency	
Commitment to cooperative values and principles (embrace of ICA	
Principles; respect for co-ops as an effective business model with multiple bottom lines	
Great enthusiasm for working at <i>our</i> store, not just co-ops or natural foods stores in general	
Other	

Policy Title: B1- Financial Condition and Activities

Monitoring Report: Third Quarter 2014

With respect to the actual, ongoing financial conditions and activities, the General Manager shall not cause or allow the development of fiscal jeopardy or material deviation of actual expenditures from Board priorities established in Ends policies.

We interpret this to mean that our management of the coop will be fiscally sound and that we will not create, condone, or allow any financial behavior that would result in financial conditions which would be significantly different from the 2014 budget, would lead to a loss of profitability, would be a fiscal practice which did not reflect GAAP principles, or that could potentially cause the loss of viability of the coop.

The GM will not:

B.1.1 Allow sales to decline or be stagnant.

We interpret this to mean that the overall pattern of sales must be better than the previous year. If sales do not show growth there will need to be an explanation that is tied to industry or overall economic conditions that are creating a negative impact much broader than just Fiddleheads Co-op.

Gross Sales	2011	2012	2013	2014
First Quarter	\$236,944.23	\$418,023.50	\$586,495.42	\$794,294.75
Second Quarter	\$263,553.01	\$459,504.26	\$669,220.98	\$864,240.56
Third Quarter	\$239,027.15	\$458,239.75	\$676,644.06	\$811,606.99
Fourth Quarter	\$313,921.35	\$494,463.87	\$720,837.87	
Total	\$1,053,445.74	\$1,830,231.38	\$2,653,198.33	
Percent Increase				
First Quarter		76.40%	40.30%	35.40%
Second Quarter		74.30%	45.60%	29.14%
Third Quarter		91.70%	47.70%	19.95%
Fourth Quarter		57.50%	45.80%	
Total		73.70%	45%	

Dollar Increase

First Quarter	\$181,082.27	\$168,472.92	\$207,799.33
Second Quarter	\$195,951.25	\$209,716.78	\$195,019.58

Third Quarter	\$219,212.60	\$218,404.31	\$134,962.93
Fourth Quarter	\$180,542.52	\$226,374.00	
Total	\$776,788.64	\$822,968.01	

The GM will not:

B.1.2. Allow operations to generate an inadequate net income

We interpret this to mean that the GM will see that the sales generate adequate net income to meet the financial obligations of the co-op.

The Profit and Loss Statement from January, 2014 through September, 2014 shows an increase in sales over the same period in 2013.

However, Fiddleheads is showing a net loss of \$19,656.53 on the Third Quarter P & L Statement.

Major Factors (Not in 2014 Budget):

Addition of 2 salaried positions

Store expansion exploration expenses

Increased rent and utilities due to Annex Space (formerly Labor Ready)

We, as Acting Co-Managers came into this situation at the end of the third quarter.

We, as Acting Co-Managers have addressed this situation by:

1. Changing our pricing structure to increase margins
2. Working actively with our Outreach Department to increase sales via increased in-store workshops and events
3. Implementing a Monthly Sales Flyer program with the inclusion of Produce Sales
4. Starting staff training for excellent customer service with an emphasis on member benefits

The relationship between the sales in a quarter and the cost of goods sold was 67.4% in the 1st quarter, 67.2% in the 2nd quarter and 68.2% in the 3rd quarter.

We expect to be in compliance with the standard of adequate net income by the end of the 4th quarter.

The GM will not:

B.1.3. Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient.

Our Current Ratio is 2.08. The standard is to have a ratio of 2.00 or higher.

The Acting GMs are in compliance with this standard.

The GM will not:

B. 1. 4. Allow solvency (the relationship of debt to assets) to be insufficient.

We interpret this to mean that the GM will monitor the relationship of assets and liabilities to make sure that the relationship is a positive one. Using the Quick Ratio, our ratio is .76, CoCoFiSt has an average of 1.25. NCGA rates at 1.5.

While the Quick Ratio is in the positive zone it is not currently at an ideal level. We expect that the steps we have taken to increase sales and margin will increase the Quick Ratio.

The Acting GMs are in compliance with this directive.

The GM will not:

B.1. 5 Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business.

We interpret this to mean that we will stay within overall budget guidelines and that if adjustments need to be made that those changes will be communicated and explained to the Board of Directors. In the course of doing regular business if equipment fails and needs to be replaced, the GM will do so in a prudent manner and keep the Board of Directors aware of such changes. It will also be the responsibility of the GM to make changes in any insurance, tax, or loan arrangements required with the replacement of equipment.

It is our understanding that the additional debt taken on by the prior General Manager was explained to the Board by him and includes the aforementioned expenses of:

Addition of 2 salaried positions

Store expansion exploration expenses

Increased rent and utilities due to Annex Space (formerly Labor Ready)

We are in compliance with this directive.

The GM will not:

B.1.6. Acquire, encumber or dispose of real estate.

We interpret this to mean exactly what it says. We are not to take part in any real estate transactions in the name of the coop.

We have not purchased or disposed of any real estate in the name of the coop. Therefore, we are in compliance with this directive.

The GM will not:

B.1.7. Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

We interpret this to mean that all tax obligations will be met on time.
Fiddleheads made sales tax payments of:

July	\$2,506
August	\$2,690
September	\$2,671

A total of \$35,812 in payroll taxes was paid during the third quarter.

The GM will not:

B. 1. 8. Allow late payment of contracts payroll, loans or other financial obligations.

We interpret this to mean that the GM will establish procedures which assure that payroll is prepared and distributed on time, that loan payments are made and that all other bills for operations, equipment, and product are paid in a timely manner. Our procedures are established and operating in such a way that 98% of all obligations are met on time. We are in compliance with this directive.

The GM will not:

B. 1.9. Use restricted funds for any purpose other than that required by the restriction.

We interpret this to mean that any restricted funds which are set aside or established for a particular purpose need to be spent only for that purpose. The only restricted funds we have are those in the refrigeration fund. Expenditures from that account have only been used for the purchase and installation of refrigeration equipment. We are in compliance with this directive.

The GM will not:

B.1.10 Allow financial record keeping systems to be inadequate or out of conformity with Generally Accepted Accounting Principles (GAAP).

We interpret this to mean that financial records will be kept in a professional manner and use the GAAP to prepare our records.

While we are not in total compliance with GAAP, we are keeping records on an income tax basis of accounting.

It has been the practice to follow income tax basis of accounting at Fiddleheads rather than GAAP. We are in compliance with the accounting method used by the BOD.

Detailed Notes on GM MONITORING REPORT
Second Quarter FINANCIAL CONDITIONS and ACTIVITIES

Using CDS Decision Tree. Each part of the policy will be subject to 3 questions: is interpretation reasonable, is data adequate, does data suggest compliance?

Global Statement: Interpretation reasonable, data questions not applicable, see subparts.

B.1.1: Interpretation reasonable, data was adequate, GM in compliance.

B.1.2: Question was raised as to whether issue to be addressed is income or net income. No data was provided as to net income as a percent of sales, which would be helpful to assess the co-ops financial condition. GM clarifies the reported income “at end of June” was for the 2nd quarter, not only the month. Suggestions were made as to how to better report data in a table that shows quarters and net income before taxes and depreciation similar to the table in B.1.1. GM and treasurer explained that this can start with 2014 quarters but not prior years as no book-keeper at that time.

Not in compliance. So what do we want to do? Seems to be a consensus that going forward we would like to see Table in B.1.2 showing net income before earnings, taxes, depreciation and accruals. Ed Demuzzio will work with GM and Accountant to see if they can come up with a plan for “by quarter” comparisons in prior years.

B.1.3: Interpretation accidentally deleted. Will be resubmitted. Board would also like to see this ratio in historical context and an explanation of what the liquidity ratio is (of what numbers is the ratio comprised) and why the liquidity ratio is the appropriate tool to assess compliance.

B.1.4: Interpretation/explanation should be similar to what was asked for in B.1.3 (include definition) and explain why the benchmark offered would be the appropriate way to assess compliance. Also, historical context. Should be provided through comparison to prior years.

B.1.5: Interpretation reasonable. Data adequate. GM in compliance

B.1.6: Question about “encumber or dispose of.” Dick will use definition that this includes “leasing” by a lessee because it is an obligation relating to real property. That will appear in the next version of financial report. Otherwise this is adequate interpretation and data.

B.1.7: Reasonable interpretation. Adequate data. GM in compliance.

B.1.8: Reasonable interpretation, adequate data. GM in compliance.

B.1.9: Reasonable interpretation, adequate data. GM in compliance.

B.1.10: Reasonable interpretation. Proposed data/explanation is that there be a statement that we are GAAP compliance except for depreciation at end of year for income tax reporting and that this is reasonable industry practice. All annual accountant statements will show that GAAP compliant with the disclaimer.

DRAFT

Gross Margin Report – 3rd Quarter – July, August, September – 2014
Inventory Adjusted

	SALES	PURCHASES	MARGIN	% MARGIN	% CONTRIBUTION TO MARGIN	% CONTRIBUTION TO SALES
Bulk	\$111,503.10	\$68,544.16	\$42,958.94	38.53%	15.88%	13.74%
Produce	\$157,647.72	\$122,287.52	\$35,360.20	22.43%	13.07%	19.42%
Perishable	\$130,364.23	\$91,198.83	\$39,165.40	30.04%	14.47%	16.06%
Lse Tea, Herbs	\$9,779.12	\$4,539.28	\$5,239.84	53.58%	1.94%	1.20%
Supp, Pers Care	\$72,316.69	\$40,354.34	\$31,962.35	44.20%	11.81%	8.91%
Grocery	\$178,076.07	\$112,363.81	\$65,712.26	36.90%	24.28%	21.94%
Txbl Groc	\$21,997.54	\$13,050.72	\$8,946.82	40.67%	3.31%	2.71%
Cheese	\$24,149.80	\$18,703.36	\$5,446.44	22.55%	2.01%	2.98%
Txbl Mdse	\$24,735.93	\$12,661.63	\$12,074.30	48.81%	4.46%	3.05%
Frozen	\$43,857.84	\$28,521.33	\$15,336.51	34.97%	5.67%	5.40%
Bakery	\$27,144.09	\$20,793.05	\$6,351.04	23.40%	2.35%	3.34%
Txbl Bulk	\$861.27	\$314.63	\$546.64	63.47%	0.20%	0.11%
Beer	\$7,063.64	\$5,601.02	\$1,462.62	20.71%	0.54%	0.87%
Fish	\$2,109.95	\$2,074.27	\$35.68	1.69%	0.01%	0.26%
Deli						
Cards						
	\$811,606.99	\$541,007.95	\$270,599.04	33.34%	100.00%	100.00%

Fiddleheads Natural Food Coop
Profit & Loss
 January through September 2014

	Jan - Sep 14
Ordinary Income/Expense	
Income	
2100000 · Earned revenues	
2100001 · Vendor Fees	1,040.00
Total 2100000 · Earned revenues	1,040.00
2111000 · Market Sales	
2111001 · Sales Bulk	
2111004 · Sales-Bulk Tea & Spice	30,893.05
2111013 · Sales-Bulk Taxable	2,853.10
2111001 · Sales Bulk - Other	355,280.64
Total 2111001 · Sales Bulk	389,026.79
2111002 · Sales-Produce	501,988.25
2111003 · Sales-Refrigerated	364,067.67
2111005 · Sales-Haba	212,625.27
2111006 · Sales-Grocery	
2111007 · Sales-Grocery Taxable	62,326.35
2111006 · Sales-Grocery - Other	539,663.76
Total 2111006 · Sales-Grocery	601,990.11
2111008 · Sales-Cheese	69,855.48
2111010 · Sales-General Merchandise	
2111009 · Sales-Cards, Magazines, Calendars	371.11
2111010 · Sales-General Merchandise - Other	75,688.56
Total 2111010 · Sales-General Merchandise	76,059.67
2111011 · Sales-Frozen	143,721.77
2111012 · Sales-Bakery	77,441.01
2111014 · Sales-Beer	19,148.32
2111020 · Sales-Deli	2,250.64
2111023 · Sales-Fresh Fish	2,109.95
2111080 · Sales-Bottle Deposits Returns	2,474.90
2111000 · Market Sales - Other	23,369.00
Total 2111000 · Market Sales	2,486,128.83
Total Income	2,487,168.83
Cost of Goods Sold	
2113111 · Cost of Goods Sold	
2113200 · 61100 Purchases	
2113201 · COGS-Bulk	
2113204 · COGS-Bulk Tea and Spice	14,979.73
2113213 · COGS-Taxable Bulk	1,801.89
2113201 · COGS-Bulk - Other	223,937.86
	239,719.48

Fiddleheads Natural Food Coop
Profit & Loss
January through September 2014

	<u>Jan - Sep 14</u>
Total 2113201 · COGS-Bulk	240,719.48
2113202 · COGS-Produce	369,603.50
2113203 · COGS-Refrigerated	255,698.83
2113205 · COGS-Haba	135,120.54
2113206 · COGS-Grocery	
2113207 · COGS-Taxable Grocery	38,784.79
2113206 · COGS-Grocery - Other	<u>338,092.56</u>
Total 2113206 · COGS-Grocery	376,877.35
2113208 · COGS-Cheese	48,182.22
2113210 · COGS-General Merchandise	50,548.15
2113211 · COGS-Frozen	98,775.57
2113212 · COGS-Bakery	57,684.76
2113214 · COGS-Beer	14,926.10
2113220 · COGS-Deli	15.75
2113223 · COGS-Fresh Fish	2,076.65
2113250 · COGS Supplies Deli Cafe	1,303.64
2113270 · COGS-Special Orders-Preorders	1,095.74
2113280 · COGS-Bottle Deposits Returns	261.23
2113200 · 61100 Purchases - Other	<u>5,715.47</u>
Total 2113200 · 61100 Purchases	1,658,604.98
2113111 · Cost of Goods Sold - Other	0.00
Total 2113111 · Cost of Goods Sold	<u>1,658,604.98</u>
Total COGS	<u>1,658,604.98</u>
Gross Profit	828,563.85
Expense	
2210000 · Personnel Expense	
2210001 · Salaries & Wages	343,749.08
2210301 · Payroll taxes	104,578.01
2210500 · Other Payroll Expenses	1,947.59
2210510 · Payroll Insurance	17,442.00
2210600 · Training and Development	<u>233.12</u>
Total 2210000 · Personnel Expense	467,949.80
2220000 · Occupancy expenses	
2221000 · Rent, parking, other occupancy	60,446.35
2221100 · Building Repair & Maintenance	12,431.52
2221200 · Building/interior improvements	7,249.07
2221500 · Utilities	<u>49,694.25</u>
Total 2220000 · Occupancy expenses	129,821.19

Fiddleheads Natural Food Coop
Profit & Loss
 January through September 2014

	<u>Jan - Sep 14</u>
2227000 · Store Expansion	
2227010 · Parcel J	9,961.43
2227000 · Store Expansion - Other	1,759.11
Total 2227000 · Store Expansion	<u>11,720.54</u>
2230000 · Depreciation & amortization exp	29,625.00
2240000 · Operating Expenses	
2240500 · Credit Card Fees	
2240510 · Amex Credit Card Fees	2,812.45
2240520 · Global STL Global Charges	24,968.57
Total 2240500 · Credit Card Fees	<u>27,781.02</u>
2240800 · Equip rental & maintenance	
2240820 · Refrigeration Equipment Repair	2,723.37
2240800 · Equip rental & maintenance - Other	5,389.44
Total 2240800 · Equip rental & maintenance	<u>8,112.81</u>
2240900 · New Refrigeration	4,611.35
2241101 · Membership refund	490.00
2241300 · Reconciliation Discrepancies	0.00
2241500 · Returned Check	232.82
2241600 · Trash Removal	1,140.99
2241700 · POS Maintenance	5,323.78
2241900 · Telephone & telecommunications	2,981.01
2241901 · Supplies and Store Equipment	35,907.50
Total 2240000 · Operating Expenses	<u>86,581.28</u>
2250000 · Overhead expenses	
2250100 · Accounting Fees	3,208.75
2250500 · Outside computer services	10,420.72
2250700 · Dues and Subscriptions	2,550.00
2250900 · Inventory Services	3,318.36
2251000 · Legal fees	732.00
2251600 · Interest expense - general	8,556.73
2251700 · Board Expense	
2250703 · Consultant Fees	6,155.33
2251701 · Travel-Conferences & Meetings	4,357.93
2251704 · Board supplies	35.07
Total 2251700 · Board Expense	<u>10,548.33</u>
2251800 · Insurance	5,467.33
2251900 · Advertising expenses	33,825.05
2252000 · Bank charges	576.41
Total 2250000 · Overhead expenses	<u>79,203.68</u>

Fiddleheads Natural Food Coop
Profit & Loss
January through September 2014

	<u>Jan - Sep 14</u>
2260100 · Special event costs	
2260110 · advertising	398.25
2260130 · rent space	100.00
2260140 · supplies and equipment	1,442.52
2260100 · Special event costs - Other	1,749.56
Total 2260100 · Special event costs	<u>3,690.33</u>
2280000 · Travel & meetings expenses	
2280100 · Travel	5,189.39
2280200 · Conference,convention,meeting	9,734.29
Total 2280000 · Travel & meetings expenses	<u>14,923.68</u>
2290000 · Non-personnel expenses	
2290300 · Postage, shipping, delivery	1,096.96
2290700 · Donations	1,110.00
2291100 · Outreach	858.34
Total 2290000 · Non-personnel expenses	<u>3,065.30</u>
2322000 · Business expenses	
2322100 · Taxes	
2322130 · Sales taxes	23,369.00
2322300 · Taxes - other	1,121.46
Total 2322100 · Taxes	<u>24,490.46</u>
2322200 · License & Permits	2,095.00
Total 2322000 · Business expenses	<u>26,585.46</u>
Total Expense	<u>853,166.26</u>
Net Ordinary Income	-24,602.41
Other Income/Expense	
Other Income	
2311300 · Contributed support	7,215.88
2311400 · Interest	47.49
Total Other Income	<u>7,263.37</u>
Other Expense	
2340000 · Prior Year A/P Corrections	2,518.62
Total Other Expense	<u>2,518.62</u>
Net Other Income	<u>4,744.75</u>
Net Income	<u><u>-19,857.66</u></u>

Fiddleheads Natural Food Coop
Balance Sheet
As of September 30, 2014

Sep 30, 14

ASSETS

Current Assets

Checking/Savings

1111010 · Safe/Cash On Hand	1,020.00
1111020 · Checking Accounts	
1111021 · AMEX Card Deposits Acct-3241	1,204.13
1111022 · Checking Oper - Dime Bank-2628	8,709.69
1111023 · Dime Market account-2038	42,824.12
1111024 · General Manager Dime 4754	2,171.72
1111025 · Payroll Account Checking-3372	645.25
Total 1111020 · Checking Accounts	55,554.91

1111030 · Savings Accounts

1111031 · Dime Bank Savings Freezer	34,492.00
1111032 · Dime Bldg Savings Account-6153	54,579.07
Total 1111030 · Savings Accounts	89,071.07

Total Checking/Savings 145,645.98

Other Current Assets

1114200 · Inventory Asset	211,425.88
Total Other Current Assets	211,425.88

Total Current Assets 357,071.86

Fixed Assets

1124000 · Furniture, fixtures, & equip	246,722.06
1126000 · Leasehold improvements	204,384.05
1128000 · Accumulated Depreciation	-186,486.00
Total Fixed Assets	264,620.11

Other Assets

1133000 · Loan Closing Costs	10,600.00
1139000 · Accumulated Amortization	-766.00
Total Other Assets	9,834.00

TOTAL ASSETS 631,525.97

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

1211010 · Accounts payable	129,496.96
Total Accounts Payable	129,496.96

Fiddleheads Natural Food Coop Balance Sheet

As of September 30, 2014

Sep 30, 14

Other Current Liabilities

1211020 · Payroll Liabilities	18,884.06
1211030 · Sales Taxes Payable	2,979.00
1211031 · Accrued CT Corp Tax	250.00
1211071 · Accrued Rent Payable	5,000.00
1211072 · Accrued expenses - other	3,846.00

Total Other Current Liabilities 30,959.06

Total Current Liabilities 160,456.02

Long Term Liabilities

1212011 · CFNE Loan 2012	174,137.73
1212012 · CL&P Loan	9,489.15
1212013 · NCB LOAN	12,135.73
1212014 · Sector Loan 100K	12,013.58
1212040 · Member Loans	
1212041 · Loan from Allen Longendyke	1,500.00
1212042 · Loan from E. Demuzzio	9,000.00
1212043 · Loan from Ellen Anthony	1,500.00
1212044 · Loan from Hunter Hannum	5,000.00
1212045 · Loan from John H. Sargent	10,000.00
1212046 · Loan from Michele L. Millham	2,500.00
1212047 · Loan from Pan & Kronenberg	5,000.00
1212048 · Loan from R. Spindler-Virgin	3,000.00

Total 1212040 · Member Loans 37,500.00

Total Long Term Liabilities 245,276.19

Total Liabilities 405,732.21

Equity

1221100 · Stockholders' Equity	
1221130 · Common Stock, Class A	28,225.00
Total 1221100 · Stockholders' Equity	<u>28,225.00</u>

1226010 · Unrestrict (retained earnings) 42,280.08

1227000 · Other Paid in Capital 175,146.34

Net Income -19,857.66

Total Equity 225,793.76

TOTAL LIABILITIES & EQUITY 631,525.97

Greetings Susan, Richard, Susan and Mark,

Each fall it is our practice to write our CBLD clients to express appreciation for participation in the program and to ask for a commitment for the coming year. Thank you for your participation in the program – I trust that the support to your co-op is valued and valuable.

In our co-op's client satisfaction survey earlier this year, just about everyone participating in the CBLD program indicated that they had recommended the program to someone or were likely to do so. Thank you for your support!

In addition to supporting the board leadership development at your individual co-op, your participation also contributes to our ability to serve the community of co-ops.

What a year it's been! Here are a few highlights:

About this time last year we introduced our new cooperative governance model, The Four Pillars of Cooperative Governance, and the new framework for participation, Own, Use, Serve and Belong, at an international cooperative governance symposium in Halifax. Both were well received then and continue to show real potential for lasting value as we integrate these concepts into our work with co-ops. (See these Co-op Grocer articles for more information.)

At CCMA our co-op and the CBLD Team were honored with the Howard Bower's award for innovation. Letters in the support of the award called out many aspects of our work to strengthen co-ops and cooperative governance. This recognition flips right around to our work with you and our clients, as it is your ongoing participation that creates the opportunity for innovation. So, thank you for helping us innovate!

We have a major rebuild of our online library underway... yay!... that will make it easier to use as we continue to add resources to support your work. Have you checked out our recent additions to the policy template, the new quarterly and annual sample financial conditions monitoring reports, or any of the 70 videos from the Cooperative Cafe series? Please do or check with your CBLD consultant on what would be most helpful at any time.

In 2013, in partnership with the National Cooperative Grocers (NCG), we launched the Cooperative Cafe regional events with the theme of growing our co-ops. In 2014, the conversations have focused on participation as a driving force for the success of our co-ops, and for 2015 we look forward to building shared understanding and alignment on co-ops thriving in the new competitive marketplace. Please remember that these are not "board only" events and see

the attached flyers for the Cafe nearest you. So far the top number of attendees from one co-op at a Co-op Cafe is 15... help us break the record!

Our team's ongoing development continued to be a focus with Leslie Watson and Jade Barker joining our team. Both have been recognized nationally for their board service and bring so much to our team culture and client/consultant relationships! We also welcome Patricia Cumbie, who will focus on co-op education, membership programs and be part of new work supporting all aspects of participation. In addition, we've continued to support co-ops with their bylaw review process and welcome your call if refreshing your bylaws is a priority for your co-op. And, we're in the early stages of providing facilitation training for all interested. Please ask your CBLD consultant if this is of interest to you. Again, your participation in the CBLD program helps move our work forward. Thank you!

Along with this email you'll find a flyer that presents an overview of the CBLD program, a participation agreement to review, sign and return, and a flyer about CBLD in-person events in your region. Please contact me if you have any questions or would like to set up a call on any aspect of our ongoing relationship.

We carefully manage program development and the cost of new and existing program features so that the cost to your co-op is reasonable and affordable. For 2015 the total program fee is \$6,650, an increase of \$200 from 2014. This will be billed in four quarterly installments of \$1,662.50 in March, June, September and December 2015.

If your board faces financial constraints to participation, please contact Mark Goehring (MarkGoehring@cdsconsulting.coop).

Your input and feedback on our work along the way is welcome and encouraged! If any questions come up during the re-enrollment process, or any time for that matter, please feel free to contact me... I'll be happy to set up a call with you.

Please return the signed participation agreement by November 30, or email me with a note letting me know of your decision. If you send an email confirming continued participation, I'll assume you have reviewed the materials and count it as if you have sent a signed participation agreement.

We look forward to continuing to serve you, and to see you at our In-Person sessions! (Remember to add the dates now to your co-op calendar to avoid schedule conflicts.)

Cheers,

Mark Goehring



SOLUTIONS FOR COOPERATIVES

The CBLD program leader will assign a consultant to serve as the co-op's primary resource provider. Satisfaction on the consultant/client match and overall program satisfaction is kindly requested.

The following will provided by CBLD consultants:

As described in the CBLD program brochure and description:

- a) Ongoing, regular consultation with Board President, GM, or other designate, with up to 15 hours provided in the base program fee.
- b) Planning and facilitation of a one day retreat designed to meet the needs of the board.
- c) Development and delivery of CBLD Resources, including access to the CBLD Library, Online Recorded Workshops, Field Guides, GM Report Support, the CBLD GM Compensation Database and other resources as they become available.
- d) In-Person sessions, including Cooperative Board Leadership 101 (CBL101), Leadership Training and Cooperative Cafe.



Quarterly program utilization reports will be provided.

Commitment from Co-op: Our board understands and accepts the commitments required to participate in CBLD, including:

- a) Establish and maintain regular contact with our CDS Consulting Co-op consultant.
- b) Provide timely replies and access to documentation requested by consultant, including all board packets and materials.
- c) Be accountable for the use of co-op and/or supporting funds by participating in CBLD activities, including scheduling and participating in our board retreat, attendance at in-person sessions, utilization of ongoing consulting hours and other resources.

Payment: Our co-op agrees to pay:

- a) The CBLD quarterly fee when invoiced each quarter (March, June, September, and December. An alternate payment schedule may be arranged in advance with the CDS Consulting Co-op manager.)
- b) Our co-op will also be invoiced for reimbursement of CDS's expenses, including transportation, lodging, meals, copies, telephone and other, related to your retreat or other in-person meetings.
- c) A modest per person registration fee for attending Cooperative Cafe events.
- d) We understand that we will be responsible for paying any travel or related cost for our directors to attend CBLD events.

Unless otherwise instructed, we will share relevant client information with other CDC CC consultants and NCG or NCG DC staff who are also supporting your co-op. If you want to further limit how we share any specific information, please let us know.

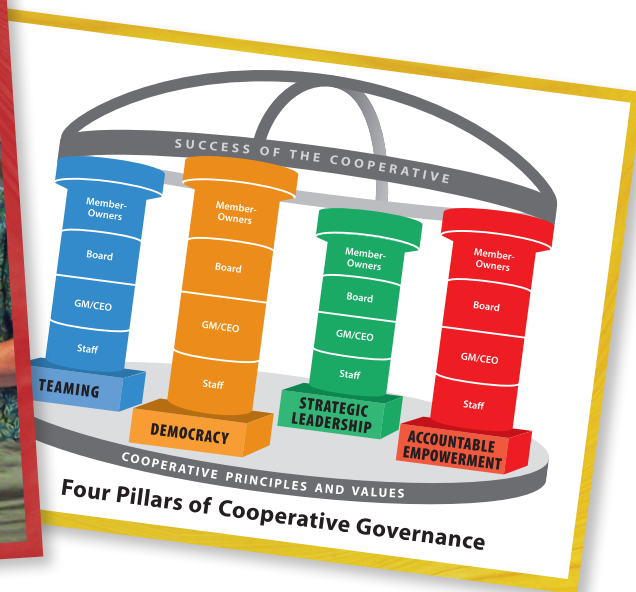
All information provided and recommendations made will be provided in good faith based upon the experience and judgment of the consultant. However, it should be understood that the client remains responsible for the accuracy of all information provided to CDS Consulting Co-op, all decisions made and all actions or inactions that result from this work. CDS Consulting Co-op is the exclusive agent of its members. All the Co-op's actions and business are specifically and only undertaken on behalf of its Members who in each case are the principal party with whom the client contracts for services.

Signature for the board _____ print name _____ date _____

Signature for CDS Consulting Co-op / CBLD
September 25, 2014

A handwritten signature in black ink, appearing to be 'Mark Goehring', written over a horizontal line.

Mark Goehring date:



CBLD Cooperative Board Leadership Development

I'm impressed with the work of the CBLD Team and the CBLD program and I encourage co-op boards and managers to participate in the program. It's made a big difference!

—C.E. Pugh,
Chief Operating Officer,
National Cooperative
Grocers (NCG)

Direct support

Celebrating its 10th year, this award-winning innovative program provides ongoing support to boards and general managers (GM). The CBLD Team provides direct support via close contact with boards, board leaders and GMs at individual co-ops, through in-person regional sessions, and by continually adding useful resources to its open access online library. CBLD support utilizes the Four Pillars of Cooperative Governance—Teaming, Accountable Empowerment, Strategic Leadership and Democracy. Support for GMs focuses primarily on the Board/GM relationship.

About 115 co-ops are enrolled in CBLD. Participating in CBLD provides support to your co-op and our community of co-ops.



Program features

Participation in the CBLD program includes regular contact with a member of the CBLD team, planning and facilitation of a one-day board retreat, a variety of in-person sessions (see schedule on back page), the monthly newsletter *Connections*, and access to resources via CBLD Library.

Program fee

The CBLD fee for 2015 is \$6,650, paid in quarterly installments in March, June, September and October. In addition, your co-op is responsible for costs associated with your retreat and attending in-person events.

RELATED SERVICES

Bylaw support. We provide expert support as boards consider what bylaws will be appropriate for the future of their co-op. Legal review is still recommended but our support allows for legal review to be most efficient, saving the co-op time and money.

Facilitation training. A regular part of our CBLD relationships, we are also working on new ways to provide this important training. Ask your CBLD consultant for more information.

Participation. We can help grow membership, raise member capital, tell the co-op story and nurture a sense of belonging to the co-op—for the success of the co-op!

For more info, please contact Mark Goehring at 802-380-3824 or email MarkGoehring@cdsconsulting.coop.

CDS Consulting Co-op



SOLUTIONS FOR COOPERATIVES

In-person sessions

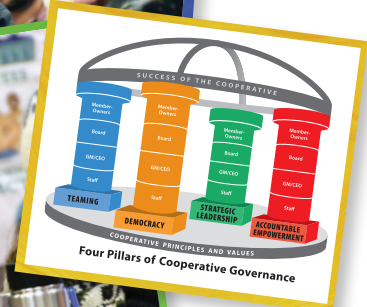
There are three different types of in-person sessions: CBL 101, Leadership Training, and the Cooperative Cafe. Each of these provides an essential piece of training, personal/professional development and shared experience to make leadership in a cooperative more effective, satisfying and productive. The CBL 101 and Leadership Training are included in the CBLD program fee. The Cooperative Cafe is sponsored by NCG and there is a modest cost per person to attend. Please mark your calendars early to avoid date conflicts!



2015 SCHEDULE OF IN-PERSON SESSIONS

	CBL 101: Foundation for Board Leadership	Leadership Training: Skill building	Cooperative Cafe: Connecting our co-ops and communities
Who should attend?	Newly elected directors, candidates, GMs and successors	Board leaders, GMs and others looking to develop their leadership skills	Directors, GMs, managers involved in co-op development, membership and marketing staff, committee members and anyone involved in the co-op's relationship with members and the community
Northeast	January 10 Keene, N.H.	January 10 Keene, N.H.	March 7 Keene, N.H.
Mid-Atlantic	July 11 Philadelphia	July 11 Philadelphia	October 31 Philadelphia
Southeast	January 24 Asheville, N.C.	January 24 Asheville, N.C.	March 28 Asheville, N.C.
Michigan	May 16 Mt Pleasant, Mich.	May 16 Mt Pleasant, Mich.	October 24 TBD
Minnesota/Wisconsin	Jan. 10 & Sept. 19 Minneapolis/St. Paul	January 10 Minneapolis/St. Paul	March 21 Eau Claire, Wisc.
Northwest	March 28 Portland, Ore.	March 28 Portland, Ore.	Oct. 17 or Nov. 7 TBD
California	September 26 Sacramento, Calif.	September 26 Sacramento, Calif.	March 14 Sacramento, Calif.
Southwest	January 24 Albuquerque, N.M.	January 24 Albuquerque, N.M.	Oct. 17 or Nov. 7 Albuquerque, N.M.

Special thanks to the NCG for sponsoring the Co-op Cafe series



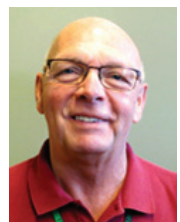
CBLD
*cooperative board
 leadership development*

Mark your calendars now for the 2015 CBLD In-Person events

■ Make your plans now for your board to attend your regional **CBL 101** or **Leadership Training**.

■ Enhance learning and alignment by registering a large group to attend the **Cooperative Cafe** near you!

“Having Board and Staff participate together in CBLD events allows for better interaction and has made us more effective in the work we do to make our co-op successful.”



Pat Burns,
 general manager, City Market/Onion River Co-op, Burlington, VT

2015 EVENTS IN YOUR REGION

<p>CBL 101: Foundation for Board Leadership</p>	<p>Leadership Training: Skill Building</p>	<p>Cooperative Cafe: Connecting Our Co-ops and Communities</p>
<p>For: newly elected directors, candidates, GMs and successors</p>	<p>For: board leaders, GMs and others looking to develop their leadership skills</p>	<p>For: directors, GMs, managers involved in co-op development, membership and marketing staff, committee members and anyone involved in the co-op's relationship with members and the community</p>
<p>When & where: January 10, Keene, N.H.</p>	<p>When & where: January 10, Keene, N.H.</p>	<p>When & where: March 7, Keene, N.H.</p>

For more information on what each event offers, see the descriptions on the opposite side of this flyer or visit our website at www.cdsconsulting.coop/services/in-person. More sessions are held around the country; you are welcome at any one.

To register: www.cdsconsulting.coop/register2015



IN-PERSON SESSION DETAILS

Cooperative Cafe— Not Just for Boards!



The Co-op Cafe provides a day of highly interactive and engaging strategic conversations designed to build shared understanding and alignment at your co-op and among co-ops. Co-op Cafe conversations in 2015 focus on competition and co-ops: **Thriving in the New Competitive Landscape**. Bring lots of people!



The Co-op Cafes are sponsored by the National Cooperative Grocers (NCG) and produced by the CDS Consulting Co-op as a series of regional events that make it possible for many people with various roles in a co-op to participate in a day of strategic conversation with people in similar roles at other co-ops in the region. There is a modest fee per participant.

\$60 per person covers meals and incidentals. Bring eight or more people and we'll pay for one (eight can come for \$420). More are welcome!



"The CBL 101 gets new board members up to speed quickly, helps place them in a larger context of cooperatives in the region, and fosters a sense of equality among board members making board discussions vibrant and inclusive."

Joe Marks, board president, Monadnock Food Co-op, Keene, N.H.

CBL 101—A Foundations Class for Directors

Cooperative
Board Leadership
101

More than 3,500 co-op leaders have participated in a CBL 101 since 2005. The day provides a strong foundation for directors by covering these topics:

Cooperative principles, values and history, legal roles and responsibilities, cooperative governance, financial understanding using the balance sheet.

With the CBL 101 built into your co-op's orientation plan, the session provides value both in the short term for those attending each session, and in the long term by maintaining a shared foundation for your board as directors come and go.

While especially helpful for those new to co-op boards, all directors, candidates, general managers and successors are welcome to attend.



Leadership Training



The Leadership Training focuses on three levels of leadership development: individual skill building, building an effective team, and integrating the strategic process into a work plan.

Participants are introduced to leadership concepts and practice using relevant topics and scenarios, including leadership for growing co-ops. Board chairs, directors, general managers and others interested in leadership development should consider attending.

The cost to attend the CBL 101 and Leadership Training is included in the annual CBLD program fee. (Not in CBLD? Please contact Mark Goehring for more information.)

2015 Board Budget

	1Q	Actual	2Q	Actual	3Q	Actual	4Q	Actual	Annual	Actual
CDS Consulting	1,663	-	1,663	-	1,663	-	1,663	-	6,650	-
Cooperative Café	300	-	-	-	-	-	-	-	300	-
CCMA	-	-	1,700	-	-	-	-	-	1,700	-
Conference Travel	1,200	-	2,500	-	150	-	-	-	3,850	-
Consultant Travel	-	-	-	-	1,500	-	-	-	1,500	-
Consulting Hours	390	-	390	-	390	-	390	-	1,560	-
Recording Sec	300	-	300	-	300	-	300	-	1,200	-
Board Administrator	450	-	450	-	450	-	450	-	1,800	-
Legal	3,000	-	2,000	-	-	-	-	-	5,000	-
Total	7,303	-	9,003	-	4,453	-	2,803	-	23,560	-

Assumptions:

1Q Cooperative Cafe 6@\$50

2Q CCMA 2@\$850

Conference Travel

1Q Mileage and Hotel, CDS Consulting Training&NFCA Annual Meeting

2Q Airfare and Hotel, Boise ID

3Q Mileage and Hotel, NFCA Fall Gathering

Fiddleheads BOD 2015 Calendar

Item	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Board Education	CBL 101 & Leadership Training Keene NH Jan. 11th		CDS Cooperative Café Keene NH March 15 NFCA Annual Meeting Putney School March 29			CCMA June Madison		CT NOFA Summer Conference ?	NFCA Fall Gathering		Yearly Reflection: What have we learned? How can we integrate this learning/lead into the future?	Yearly Review and Update of next year's education plan
Member Engagement and Newsletter Articles	Set Date for Annual Meeting Store-Board Task Force	Member Event to present Ends	Article about Policy Governance	Article about BoD Elections, Candidate Bios	Annual Member Meeting Article for Annual Report							
Admin. Agenda Items			Review GM Compensation Proposal	Deadline for BOD Candidates information for ballots Review Member Meeting Agenda and assignments	Board Elections Farewell to departing directors Welcome new directors Orientation meeting for new board members	Election of Board Officers	Finalize GM Evaluation	BOD Retreat ?????????	Board Retreat Follow-up Start 2015 calendar	BOD Budget finalized		Review calendar for next year
Board Monitoring	C7: Committee Principles	C8: Governance Investment	D1: Unity of Control	D2: GM Accountability	D3: Delegation to GM D4: Monitoring GM	C: Global Governance D: Global BoD-Mgmt	C1: Governing Style	C2: Board's Job	C3: Agenda Planning	C4: Meetings	C5: Code of Conduct	C6: Officers
GM Monitoring	B4: Membership B9: Succession	B1: Financial Condition	B1: Annual Financial Condition	B6: Staff	B1: Financial Condition	B5: Consumers	A. Ends	A: Ends Continued B1: Financial Condition	B7: Board Communication B8: Board Support	B2: Planning & Budgeting	B1: Financial Condition	B: Global Constraint B3: Asset Protection

FIDDLEHEADS FOOD COOP
GUIDELINES FOR ELECTRONIC COMMUNICATION

Approved July 17, 2012

Draft Revisions September 30, 2014

1. WHEN BOARD MEMBERS SHOULD **NOT** USE EMAIL

- If there is a need for a discussion prior to making a decision, there is a need for an in person meeting.
- If confidential information will be distributed, there is a need for a meeting.

2. WHEN BOARD MEMBERS SHOULD USE EMAIL

- To share factual information such as logistics, meeting details, documents. Use .pdf format to share final documents.
- To add items to the meeting agenda.
- To communicate personal/professional events not directly related to board work but which may be of interest. Use OPT at the beginning of the subject line to let board members know this is not a board obligation.

3. EMAILING TO BOARD VS MEMBERS

- Items directly related to board work are sent to board members only
- Items of general interest can be emailed to a broader audience
- Items emailed to board members by coop members should be forwarded to the board president to be included in the next meeting agenda, not discussed over email.

4. HOW TO WRITE SUBJECT LINES

- Always include a subject line and make the subject line concise.
- If your email comprises multiple topics, consider breaking it into multiple messages.
- Include important information such as meeting dates.

5. HOW TO REPLY

- Use Reply when answering a question of attendance or expressing thanks.
- Use Reply All when your reply is useful to every recipient or you have something to add which all the recipients need to see.
- Be thoughtful about copying the entire board.
- When RSVP appears on the subject line, a response is needed.
- When NRR appears in the subject line, no reply is needed.

6. COMMUNICATION BASICS

- Be concise: the fewer words, the lower the probability of misunderstanding. More than three paragraphs is probably better as a conversation. Make each message in the reply chain shorter than the preceding one.
- Take responsibility: assume every communication is made with good intention.
- Practice non-violence: observe before judging, respect feelings, identify needs.
- Focus on task, not relationship issues.
- Remember email does not work for conveying emotion or humor.

7. NO CONFIDENTIAL COMMUNICATIONS.

- Before sending a message, let the message rest a few minutes and then reread for unclear content and grammar. Count to 10 before you ‘flame.’
- Good communication takes awareness and practice!



To the Board of Fiddleheads Co-op
From Carolee Colter
September 29, 2014

PROPOSAL FOR SUPPORT FOR YOUR GENERAL MANAGER SEARCH

First I recommend that you revisit the manual called Hiring a General Manager, from the National Cooperative Grocers Association toolbox series. This will guide the board step by step through the process. It will minimize the need to use my paid time so that I can focus on where I can be most useful to you.

Please see the matrix included in this proposal for more detail on where I can help in the process. I suggest that I focus on the following areas in providing guidance to the Board, and to the committee delegated to conduct the search:

- Defining qualifications for the new GM
- Advice on recruiting sources, and feedback on ad copy
- Initial screening for the candidates you designate
- Checking references for finalists, both those provided by the candidates and those from people in co-ops or the natural foods industry I may know who know the candidates
- Compensation package requirements / employment contract
- Other aspects of the search process, as requested

In my experience GM searches take from 3 to 12 months with 6 months being the median. Typically when I am supporting a board in a GM hiring process, they use 10 to 25 hours of my time, with the median being 15. I charge \$130 an hour, and bill every month for the hours spent that month. I send a spreadsheet with an accounting of my hours to the chair of the Search Committee every month, too.

Sometimes I am in a position to recruit candidates for an opening--usually people I've met through other co-ops' searches. I will follow up on all leads I know of for possible candidates, but I'm not representing myself as "headhunter." My value to your co-op lies more in presenting the job in a realistic and attractive light to candidates, in clarifying what you are looking for, in screening candidates, in advising you on compensation, and on advising you on process questions as they arise.

continued

In some cases the search committee wants me to communicate with them as a group in joint e-mails and possibly in a conference call at key points (e.g. before choosing finalists, or before making the job offer). In other cases, the search committee wants me to communicate entirely through the committee chair. You can decide how you prefer to proceed.

References

- ➔ Susan Barbera, former board member and Search Committee chair, Rising Tide Co-op, susan.barbera@xpcc.com
I assisted this co-op in hiring a GM in the fall of 2012. Tragically, the new GM died suddenly after being in his position for 6 months. Last fall I again assisted Rising Tide with hiring a new GM. We were able to build on the base created from the first search.
- ➔ Graham Anderson, board vice-president and Search Committee chair, East End Food Co-op, Vancouver, BC
graham.j.anderson@gmail.com
During the process of hiring their new GM, I also have assisted this co-op with dealing with some challenges with the outgoing GM.

If you have any questions about how the process will work, I'd be happy to talk on the phone.

In cooperation,
Carolee

250.505.5166 (p)
caroleecolter@cdsconsulting.coop
Nelson, BC

All information provided and recommendations made are provided in good faith based upon the experience and judgment of the consultant. However, it should be understood that your co-op remains responsible for all decisions made and all actions or inactions that result from this work.

GENERAL MANAGER SEARCH RESPONSIBILITIES

If there is no board administrator, the tasks in that column would need to be handled by the Search Committee.

	Search Com.	Whole Board of Directors	Consultant (Carolee)	Manage- ment Team	Board Ad- minis- trator
RECRUITING					
Give input on priorities for qualifications, using a worksheet I will provide	X	X		X	
Give feedback on qualifications to ensure common understanding of what the words mean			X		
Prioritize and approve qualifications		X			
Discuss and agree on reasons why a candidate would want the job		X			
Advice on recruiting sources			X		
Draft ads and job announcement for web sites and publications	X				
Feedback on ads			X		
Place ads in publications/websites					X
Track expenses for recruiting					X
SCREENING					
Receive resumes and forward to Search Com					X
Acknowledge receipt of resumes to candidates					X
Provide screening tool for evaluating resumes			X		
Evaluate resumes and designate some for phone screening	X				
Send rejection e-mails to candidates who won't be interviewed	X				
Phone screen candidates designated by Search Com and report back			X		
Decide who to interview (by conference call for non-local candidates)	X				

	Search Com.	Whole Board of Directors	Consultant (Carolee)	Manage- ment Team	Board Ad- minis- trator
SCREENING, continued					
Set up conference call dates with committee members and candidates					X
Provide interview questions to reflect on how candidates meet the established qualifications			X		
Conduct conference call and/or in-person interviews with candidates of interest	X				
Select finalists	X				
Call interviewed candidates who won't be finalists	X				
Send out more detailed financial information to finalists					X
Check finalist candidate references			X		
Arrange for criminal background check by established agency	X				
Provide interview questions for finalist interviews			X		
Schedule in person interviews with top candidate and Search Committee and Management Team					X
Make travel arrangements for candidate(s) if needed					X
Participate in final candidate in-person interviews	X	X		X	
Authorize parameters for negotiation		X			
Make job offer, negotiate compensation	X				
Advise on developing job offer (including compensation)			X		
Rejection call to rejected finalist(s)	X				
Track expenses for screening					X

PRESIDENT'S REPORT

November 18, 2014

To keep the board fully informed in the absence of the GM, I am submitting a report of my activities my last report of October 28, 2014.

- Met with Sheila and Kristin to plan agenda for November 18th board meeting. (See agenda and email for details)
- Looked into location for Christmas Party
- Attended Governance Committee Meeting November 4
- Participated in CT Cooperative Business Alliance conference call
- Signed letter sent to Dick Virgin on November 7

Co-manager meeting

AGENDA Meeting with Acting Co-managers November 3, 2014

1. Review draft agenda for November 18
 - a. Planning and Budgeting Monitoring Report?
 - b. Quarterly Financial Monitoring Report?
 - c. Other topics for the agenda?
2. Update on GM investigation
3. CT CBA Next Steps
4. Audit
5. Board-Staff Meeting
 - a. Manager training on Policy Governance
 - b. *Seven Steps to RE-energize Your Cooperative Culture*
6. Parcel J Next Steps
7. CERC Award Dinner December 3, Bushnell Theater
8. Meeting with CFNE Loan Officer Jan Caruso
9. Christmas Party-December 5

10. Other topics for discussion

Hi Sheila and Kristin,

Thanks again for your time yesterday to share information and to work on the agenda for the November 18th board meeting. As we discussed, you will have the 2015 Budget and an quarterly financial report for the board to review. For your information, I have attached the second quarter monitoring report that Dick gave the board and detailed notes of the board discussion of the monitoring report even though the board will not have a full monitoring report for either the budget or quarterly financials.

After giving some more thought to our discussion about the board presentation to staff, I wanted to ask you to think before tomorrow night about a joint presentation by board members and acting co-managers. I think we need the staff to see us aligned and supporting each other. We can discuss this further with the board on Wednesday.

I am copying you on an email reminder to Jen Caruso. I look forward to hearing what staff say about the Christmas Party.

See you on Wednesday.

Susan

FIDDLEHEADS
BOARD OF DIRECTORS MEETING
December 16, 2014
6:30-8:30 PM
105 Huntington Street, New London

Time	Topic	Resource	Board Action/ Outcome	Leader
6:30	Meeting Preamble <i>Each of us is a member of the coop community and has been elected to be leaders in serving our members. May we conduct this meeting by empowering each other, treating each other with kindness, and maintaining an atmosphere of mutual respect.</i> Check-in			President
6:30-6:35	Agenda Review		Make any needed adjustments	President
6:35-6:40	Minutes		Approve Minutes	
	Board Discussion • Board Improvement Ideas (Board Packet)			
	Monitoring Report • B2 Planning and Budgeting (Board Packet)		Accept Report	
	Action Items •			
8:10-8:15	President's Report		Ask any questions	President
8:15-8:20	Consent Agenda • C5 Code of Conduct • C6 Officers			
8:20-8:30	Closings • January 20 draft agenda (Board Packet) • Meeting Checklist o Everyone was present physically and attentively o No sidebar conversations o Maintain topic focus o Everyone had a voice and was heard o Be honest but not brutal o Don't monopolize o Clarify the purpose of each agenda item to begin o Signal if you feel personally attacked, disrespected, or put down • Review Decisions, Tasks, Assignments • Adjourn Meeting		Review Evaluate meeting process: what worked and what needs improvement	President President

BOARD PACKET:

- 1) Minutes
- 2) Fiddleheads Board Ideas for Board Improvement August 16, 2014
- 3) Manager Monitoring Report
- 4) Board Monitoring Report
- 5) Draft Agenda