

FIDDLEHEADS
BOARD OF DIRECTORS MEETING
December 15, 2015
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	Agenda	Convene/Focus	President
6:30	Agenda Review	Agenda	Make any needed adjustments	President
	Member Comments		Listen	President
6:35	Minutes (Board Packet) <ul style="list-style-type: none"> November 17, 2015 	Packet	Approve Minutes	
6:40	Managers Update Report – TBD <ul style="list-style-type: none"> Post-Re-set Update Lease negotiations Succession planning 	Packet or Oral	Q&A	IGM
6:55	Consent Agenda <ul style="list-style-type: none"> Board Monitoring Report C6 – Officers GM Search Committee Minutes Member Equity Refund Requests (as needed) 	Each item in packet	Approval	President
6:55	Discussion of Items removed from Consent Calendar	See above	Discuss/Approve	TBD
7:00	EXECUTIVE SESSION <ul style="list-style-type: none"> To approve minutes of October __, Executive Session Minutes To discuss GM search/candidates To discuss year end financial review options and decide which to pursue 	Minutes To Be Provided Document to be provided		Secretary GM Search Committee
7:45	Discussion/Action Items: <ul style="list-style-type: none"> Update on Financial Training for Board Process for Handling Member Loans Code of Conduct for Board Members Board Calendar (including Governance Calendar) for 2016 	Oral In packet In packet and hard copies to be brought In packet	Calendar Approve if necessary Approve and execute Approve	Vice President IGM Governance Committee President and Governance Committee

TBD	Committee/Task Force (as time allows) <ul style="list-style-type: none"> ● Governance <ul style="list-style-type: none"> *Confirm committee membership *Discuss candidates for board vacancy ● GM Search <ul style="list-style-type: none"> *Process going forward ● Annual Meeting <ul style="list-style-type: none"> *Any updates? ● Member Communications <ul style="list-style-type: none"> *Any updates 			
8:15	GM Monitoring Report	In Packet		IGM
8:40	Member Comments			
8:45	Closings <ul style="list-style-type: none"> ● SCHEDULE CDS CALL! ● Review decisions, tasks, assignments ● January 19th draft agenda ● 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, disrespected, or put down ● Adjourn Meeting 		Review Evaluate meeting process: what worked and what needs improvement	President

BOARD PACKET:

- **Draft Minutes of November 17, 2015 (Danny & Elisa)**
- **GM Update Report (Wynston)**
- **Board Monitoring Report C6 (Elisa)**
- **GM Search Committee Minutes (Sue P.)**
- **Member Equity Refund Requests – If any (Wynston)**
- **Exec Sess Minutes (to be brought to meeting by Elisa)**
- **Proposed Process for Handling Member Loans (Wynston)**
- **Board Member Code of Conduct (Mona/Ellen – hard copies to be brought to meeting)**
- **Combined Board and Governance Calendar (Elisa, Sue, Mona)**
- **IGM Interim Monitoring Report (Wynston)**

FIDDLEHEADS BOARD OF DIRECTORS
Board Meeting of November 17, 2015

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to order

Susan Phillips called to order a monthly meeting of the Fiddleheads Board of Directors at 6:30 pm on Tuesday, November 17, 2015 at 105 Huntington Street, New London, CT.

B. Attendance

The following board members were present:

Susan Phillips, President
Susan Zimmerman, Vice-President
Helene Bardinet, Treasurer (arrived at 6:34PM)
Danny Spurr, Secretary
Mona Harmon-Bowen
Ellen Clinesmith
Carolyn Wilson

The following additional members were present:

Wynston Estis, Interim General Manager
Elisa Giommi, Board Administrator

It should be noted that Suzanne Cattanach has resigned from the Board of Directors.

C. Board Check-in

D. Agenda Review

The Lease Renewal Item was removed from the consent agenda, as the lease renewal has not yet been finalized.

The Process for Handling Member Loans and Refund requests was removed from the Discussion/Action Item section as this has not yet been finalized.

The Proposal for Financial Training was added to the Discussion/Action Item Section.

It was clarified that the proposed Board Budget was for 2016, not 2015.

E. Member comments

Elisa proposed a new Board of Directors group photo for the coop.
No other members were present.

II. MINUTES OF PRIOR MEETINGS

A. Minutes of October 20, 2015 meeting

There were some edits and typographical errors noted.

Motion to accept minutes of October 20, 2015 with proposed edits.

Motion: Mona Harmon-Bowen

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Second: Ellen Clinesmith
All in favor with Carolyn Wilson abstaining

III. MANAGER'S UPDATE REPORT

The manager's report was not included in the packet, but was presented orally at the meeting.

A. Lease negotiation

The lease negotiation is not yet complete, but Wynston has seen an addendum for a three year contract at the same rate as the five year contract. The addendum is with the lawyer.

B. Store Reset

Reset is two thirds complete. The piano will stay, but will be locked. Volume levels of music will be managed to not interfere with the customer/staff experience. The beauty of flute music is subjective.

C. Staff Update

Kristin DeMuzzio will be leaving at the end of the month. A replacement front end manager will most likely be hired from within, but there will be a need for new staff hires next month, as staffing levels are pretty minimal already. Wynston will be away from Thanksgiving until the following Monday. Rachel Watrous will again be acting GM in her stead.

D. Thanksgiving Hours

Fiddleheads will be opened from 8 to noon on Thanksgiving. Staff input was mixed on whether to be open on Thanksgiving, but there were enough staff willing to work the shift to allow Fiddleheads to be open.

IV. CONSENT AGENDA

A. Board Monitoring Report C5- Directors Code of Conduct

B. GM Search Committee Minutes

C. Member Equity Refund Requests

There are no pending requests for a Member Equity Refund.

D. Approve revisions of Workflow from September 15, 2015

Motion to approve the Consent Agenda

Motion: Ellen Clinesmith

Second: Danny Spurr

All in favor

V. DISCUSSION

A. Report on Portland, Oregon Co-ops

The collective management of the two co-ops mentioned (the Alberta Co-op and the People's Co-op) was of particular interest in relation to our GM transition and succession plan. Todd, a Board consultant at CDS is a former Board Director at the People's Co-op and could be a potential resource if the Board wanted more information on collective management. It was

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suggested that Todd could be a good candidate for our CDS-CBLD consultant should we decide to request a change of consultants. Todd is the consultant for the Willimantic Food Co-op.

B. CDS Contract for Board Support

Susan Zimmerman contacted CDS about the possibility of requesting a new consultant. CDS will consider our request, but it is CDS who decides how to assign their consultants. They will be meeting at the end of the month to work out consultant assignments.

Susan Phillips will contact Mark (CDS) about our decision to renew.

Susan Zimmerman will contact David Fowle (NCG) about covering the CDS/CBLD contract fees as well as potentially covering our budgeted extra consulting hours and consultant travel expenses for the Board retreat.

Motion to enter into contract with CDS

Motion: Ellen Clinesmith

Second: Helene Bardinnet

All in favor

C. Financial Training Proposal

There was discussion about having a financial number crunching get together either before or after the proposed Willimantic facilitated training. Having such a get together after the training was seen as preferable.

Susan Zimmerman will coordinate with the Willimantic Co-op people to schedule a financial training session for sometime in January.

Motion to approve Financial Training Proposal

Motion: Mona Harmon-Bowen

Second: Carolyn Wilson

All in favor

D. Board Budget 2016

It was proposed that we remove the CBLD contract expenses from the budget should NCG agree to cover those costs.

There was some disagreement on what the actual expenses were for Board consulting hours in the 2015 budget. It was agreed that this should be looked into further and that a more accurate set of actual 2015 Board expenses be assembled.

Motion to request for the Board Treasurer and General Manager to assemble 2015 Board Actuals by February 2016

Motion: Mona Harmon-Bowen

Second: Ellen Clinesmith

All in favor

Motion to approve the 2016 Board Budget (1st column of the Budget table)

Motion: Ellen Clinesmith

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Second: Susan Zimmerman.
All in favor

E. Process for Handling Member Equity Refund Requests

The Board was shown the updated language on the Member/ Owner Application form informing applicants about their equity and refund procedures. Wynston also read the new Member Equity Refund Request form to the Board.

It was noted that there is still a lot of work to do sorting out how equity was handled in the past so that our member equity is accurately reflected on our Balance sheet and our outstanding member equity can be made more current. Also, the language used on the application needs to be more accurate and the information regarding member equity more codified.

F. Expectation of Board Membership

A proposed Board Code of Conduct Agreement was reviewed. It was agreed that the bylaws referenced in the agreement should be included in the agreement and minor edits were made.

Code of Conduct Agreement approval tabled until December. Governance Committee will prepare a final draft of the agreement for the December meeting.

G. Current Discount Policy and Practice

Plans are underway to replace the 2% member discount, at the end of December, with alternative ways to incentivize ownership. There will be a drive throughout the month of December to inform members of the upcoming changes. The military and student equity discounts that violated the co-op bylaws have been discontinued.

H. IGM Service Contract Continuation

Approval was sought for a 4-8 week extension of the IGM Wynston Estis contract. After some discussion, it was agreed that, though it is possible we may not need Wynston's services for the full 8 weeks, this is probably a realistic time frame.

A question was asked about succession planning. Wynston has been examining this issue since her arrival at the store. It was noted by her that there is a lack of in-house capacity, but a plan, possibly using remote CDS consultants, can be developed, should Fiddleheads not have a permanent GM in place when Wynston leaves. Wynston will consult with Marilyn Scholl (CDS) about succession options.

Motion to approve an eight week continuation of the Interim General Manager Wynston Estis' contract through CDS

Motion: Susan Zimmerman
Second: Mona Harmon-Bowen
All in favor

VI. COMMITTEE/TASK FORCE REPORTS/ACTION

A. Governance Committee Report

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The Governance Committee calendar has not yet been assembled. Constance Kendros was interviewed and is interested in serving on the Governance Committee, though she currently has a scheduling conflict on the Committee's meeting day.

Approval of Governance Calendar and chair for Governance Committee tabled.

B. GM Search Committee

The Board will be conducting an in-person interview with a GM candidate on December 1, 2015 at 6:30PM. There is a possibility of informal activities or dinner with the candidate on the following day. Elisa will send out an email to the Board about scheduling activities for the following day.

There were questions raised about interview questions 7 and 8 regarding race. It was felt that the questions may be too abstract and should relate more to the job of the potential GM. It was also felt that there should be a question related to income inequality as well as a question about engaging our regional membership outside of the local New London area.

Helene Bardinet, Ellen Clinesmith, Susan Zimmerman and Danny Spurr will meet to discuss potential questions relating to race, income inequality, and regional engagement.

C. Annual Meeting Committee Report

A deposit of \$600 will be needed to secure the Hygienic Art Park space for the meeting.

Motion to approve the Annual Meeting date of May 21, 2015 and the Annual Meeting budget of \$3500

Motion: Ellen Clinesmith

Second: Danny Spurr

All in favor

D. Membership Committee

Tabled

VII. GM MONITORING REPORT

A. Ends A2 – Thriving Local Economy (Adopted January 6, 2014)

Fiddleheads exists so to make Southeastern Connecticut a thriving, locally based economy
In compliance.

B. Ends A3 – Sense of Community (Adopted January 6, 2014)

Fiddleheads exist so that shoppers and members have a strong sense of community
In compliance.

C. Ends A6 – Workplace (Adopted January 6, 2014)

Fiddleheads exists so that Southeastern Connecticut has meaningful work opportunities in a supportive environment.
In compliance.

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The updates to job descriptions and duties and responsibilities were clarified. It was noted that the new financial summary matrix was very helpful. Wynston will provide Carolee Colter (CDS) with a copy of the new staff structure to provide to the GM candidate.

D. Executive Limitations B1 – Financial Condition and Activities (Revised August 18, 2015) Sections 1, 2, 3, 5, 7, 8

The GM shall not:

Section 1: Allow sales to decline or be stagnant. Not in compliance

Section 2: Allow operations to generate an inadequate net income. Not in compliance

Section 3: Allow liquidity (the ability to meet cash needs in a timely and efficient fashion) to be insufficient. In compliance

Section 5: Incur debt other than trade payables or other reasonable and customary liabilities incurred in the ordinary course of doing business. In compliance

Section 7: Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed. In compliance

Section 8: Allow late payment of contracts, payroll, loans or other financial obligations. Not in compliance

There were some discussion items for Executive Limitation B1:

1. A question was raised about the current ratios and why, while they seemed good, there was not a lot of cash on hand.
2. There was a clarification that the Gross Margin is calculated prior to any discounts.
3. Wynston noted that the primary income problem was related to sales and not margins.
4. It was noted that percent of assets financed by member equity is very low. This is due to current members not being paid up on their equity obligations as well as the need for more members. An equity drive is planned for after the reset in conjunction with the planned changes to owner benefits. Some ideas were offered to encourage members to pay off the rest of their equity obligations.

E. Executive Limitations B2 – Business Planning and Financial Budgeting (Adopted June 18, 2013)

In compliance

F. Executive Limitations B3 – Asset Protection (Adopted June 18, 2013)

In compliance

G. Executive Limitations B4 – Membership Rights and Responsibilities (Adopted

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June 18, 2013)

Not in compliance

H. Executive Limitations B7 – Communication to the Board (Adopted June 18, 2013)

In compliance

I. Executive Limitations B8 – Board Logistical Support (Adopted June 18, 2013)

In compliance

Motion to accept Interim General Manager monitoring report with acknowledgement of non-compliance in the sections noted above:

Motion: Susan Zimmerman

Second: Helene Bardinet

All in Favor

VIII. CLOSINGS

A. The CDS consultant call

Call is scheduled for December 3, 2015 at 4:30 PM

B. Tasks and Assignments

Susan Phillips will email the Board the review of tasks and assignments.

C. Adjournment

Motion to adjourn at 8:50 pm

Motion: Mona Harmon-Bowen

Second: Helene Bardinet

All in favor

**FIDDLEHEADS BOARD OF DIRECTORS
Special Board Meeting of December 7, 2015**

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to Order

Susan Phillips called to order a special meeting of the Fiddleheads Board of Directors at 6:31 p.m. on Tuesday December 7, 2015 at 105 Huntington Street, New London, CT.

B. Attendance

The following Board members were present:

Susan Phillips, President
Susan Zimmerman, Vice-President
Helene Bardinet, Treasurer (initially present via phone, then arrived at 7:09 p.m.)
Danny Spurr, Secretary
Carolyn Wilson
Ellen Clinesmith
Mona Harmon-Bowman

The following additional members were present:

Wynston Estes, Interim General Manager
Elisa Giommi, Board Administrator (departed at 7:12 p.m.)
Ellen Anthony, GM Search Committee (departed at 7:12 p.m.)
Alison Wydler, GM Search Committee (departed at 7:12 p.m.)

C. Member Comments

Elisa Giommi informed the Board that a photographer would be available to photograph the Board prior to the December 15th Board meeting, starting at 5:45 p.m.

D. Motion to waive 10 day requirement for notice of a special meeting

Motion to waive 10 day requirement for notice of a meeting for the meeting of December 7, 2015:

Motion: Danny Spurr
Second: Ellen Clinesmith
All in favor

II. EXECUTIVE SESSION

FIDDLEHEADS BOARD OF DIRECTORS
Special Board Meeting of December 7, 2015

The purpose of the Executive Session is to discuss personnel matters relating to the hiring of permanent GM.

Motion to enter executive session

Motion: Susan Zimmerman

Second: Mona Harmon-Bowman

All in favor

Executive session entered at 7:12 p.m. and exited at 8:20 p.m.

Confidential minutes were taken in executive session. No votes or action was taken.

VIII. CLOSING

A. Adjournment

Motion to adjourn at 8:20 p.m.

Motion: Mona Harmon-Bowman

Second: Ellen Clinesmith

All in favor

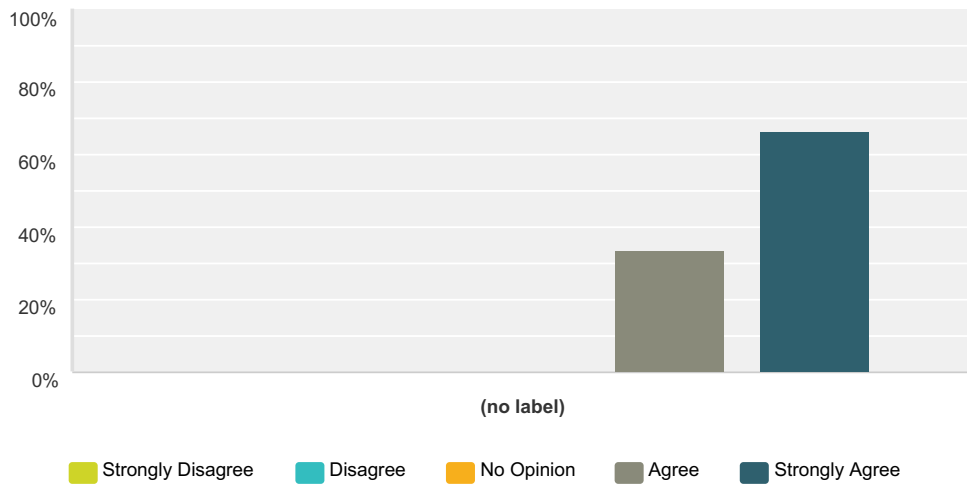
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Draft minutes prepared for submission to board by Danny Spurr on December 8, 2015.

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

Q1 No officer has any authority to supervise or direct the GM.

Answered: 6 Skipped: 0

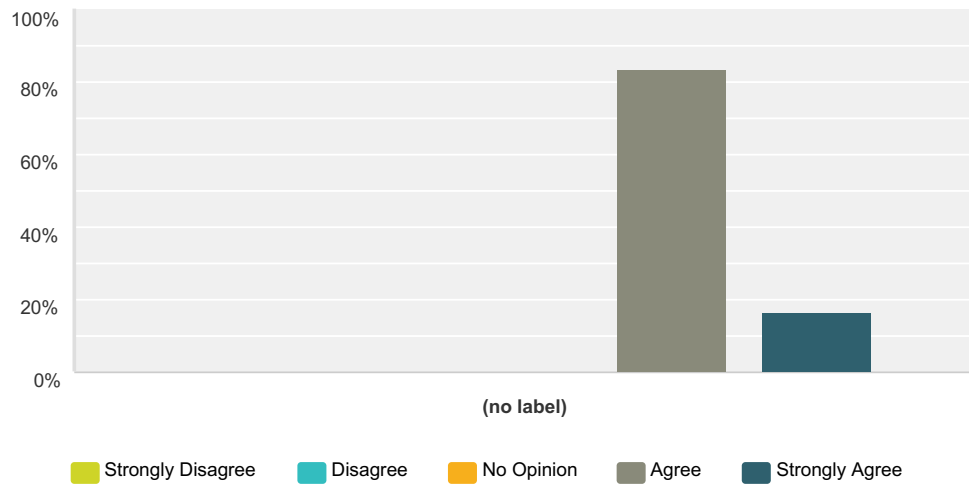


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	33.33% 2	66.67% 4	6	4.67

#	Other (please specify)	Date
1	But we have a number of expectations which may be perceived as "authoritarian or directive". We must ensure this is clearly understood	11/29/2015 6:23 PM

Q2 Officers may delegate their authority but remain accountable for its use.

Answered: 6 Skipped: 0

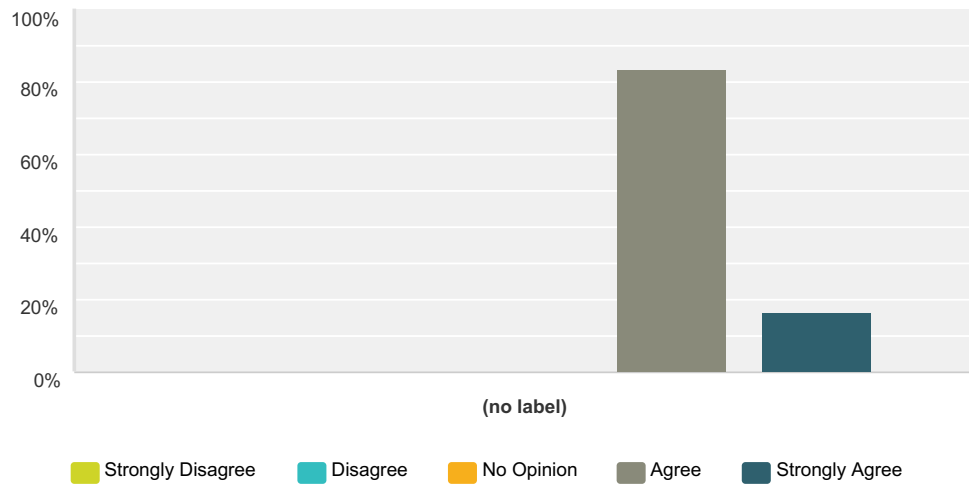


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	83.33% 5	16.67% 1	6	4.17

#	Other (please specify)	Date
	There are no responses.	

Q3 The president ensures the Board acts consistently with Board policies.

Answered: 6 Skipped: 0

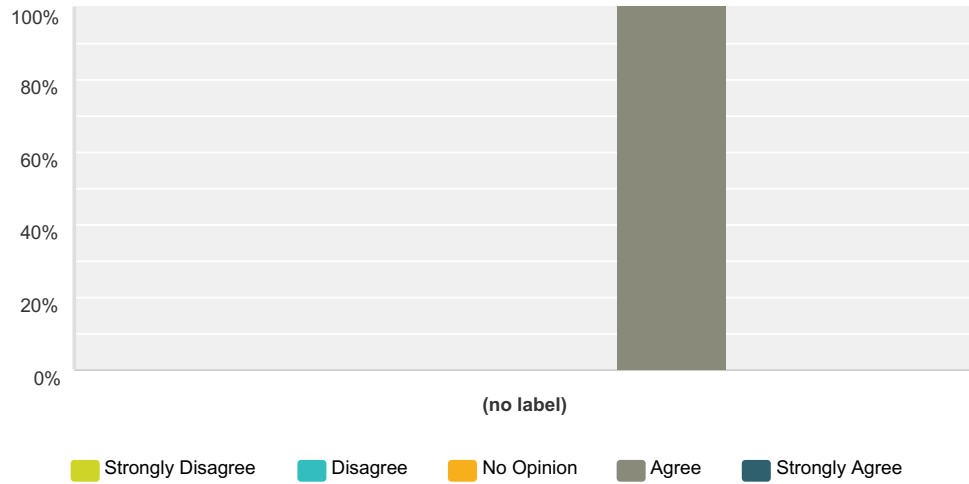


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	83.33% 5	16.67% 1	6	4.17

#	Other (please specify)	Date
	There are no responses.	

Q4 The president is authorized to use any reasonable interpretation of the provisions in the Board Process and Board-Management Relationship policies.

Answered: 6 Skipped: 0

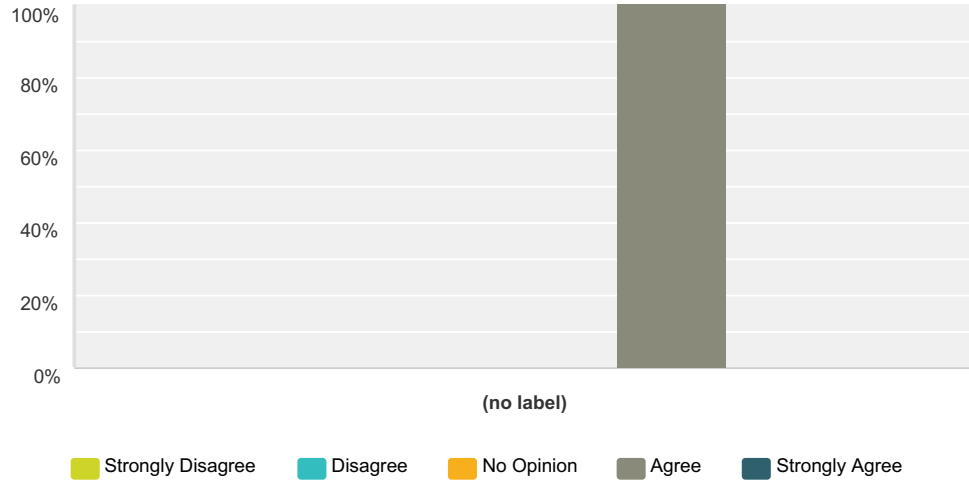


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	100.00% 6	0.00% 0	6	4.00

#	Other (please specify)	Date
1	As long as the entire board speaks with one voice.	11/29/2015 6:23 PM

Q5 The president will set the agenda for Board Meetings and facilitate the meeting or will ensure the facilitator is adequately prepared.

Answered: 6 Skipped: 0

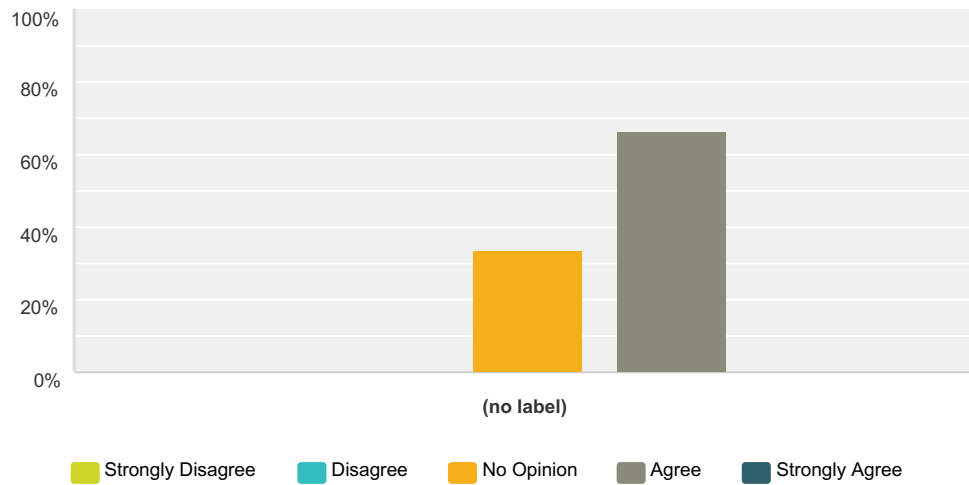


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	100.00% 6	0.00% 0	6	4.00

#	Other (please specify)	Date
	There are no responses.	

Q6 The president plans for leadership (officer) perpetuation.

Answered: 6 Skipped: 0

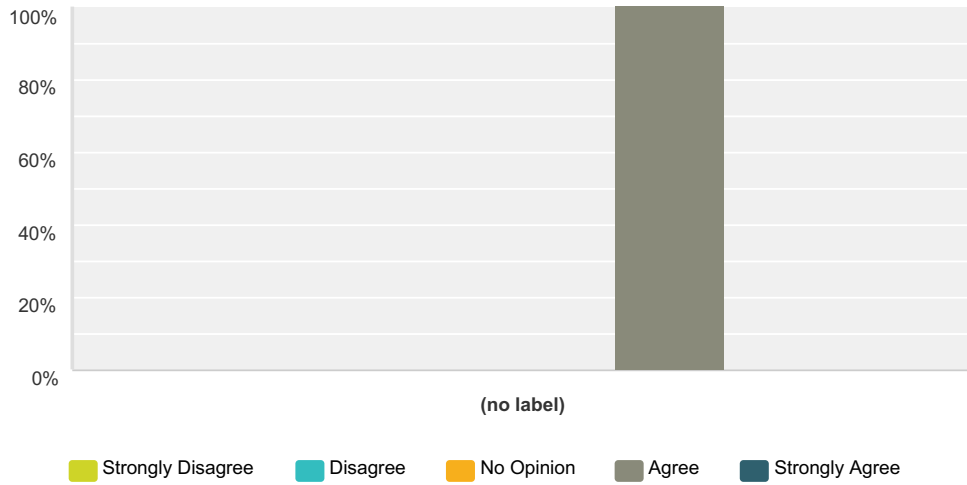


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	33.33% 2	66.67% 4	0.00% 0	6	3.67

#	Other (please specify)	Date
	There are no responses.	

Q7 The president may represent the Board to outside parties.

Answered: 6 Skipped: 0

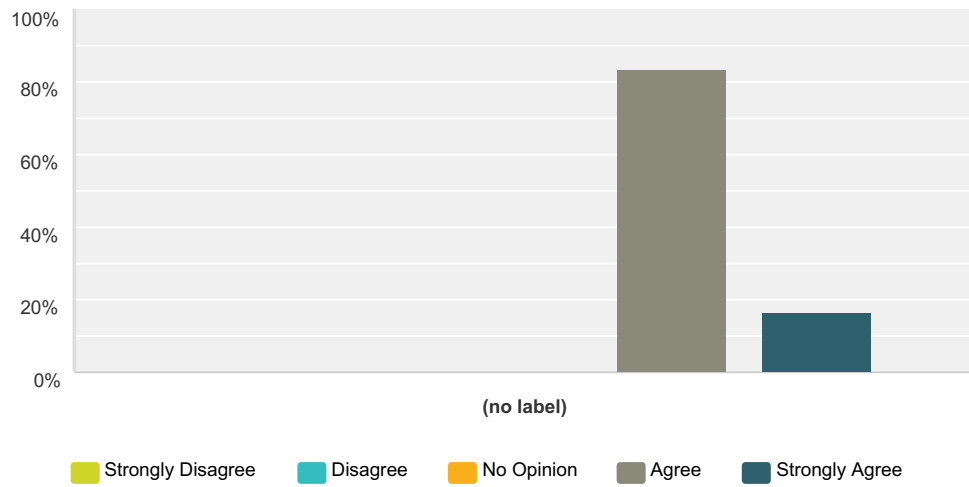


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	100.00% 6	0.00% 0	6	4.00

#	Other (please specify)	Date
	There are no responses.	

Q8 The vice-president will perform the duties of the president in her/his absence.

Answered: 6 Skipped: 0

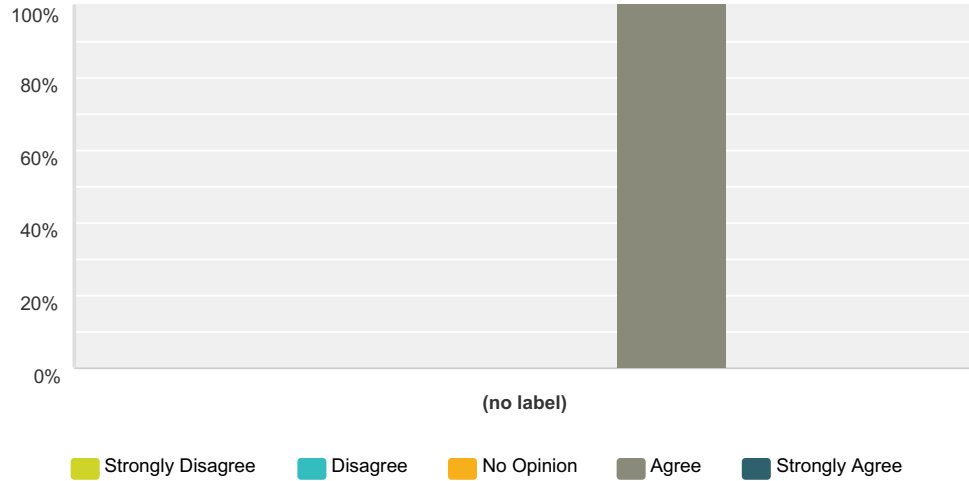


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	83.33% 5	16.67% 1	6	4.17

#	Other (please specify)	Date
1	We are fortunate to have a strong Pres and VP at this time!	12/2/2015 5:06 PM

Q9 The treasurer will lead the Board's process for creating and monitoring the Board's (not the Cooperative's) budget.

Answered: 6 Skipped: 0

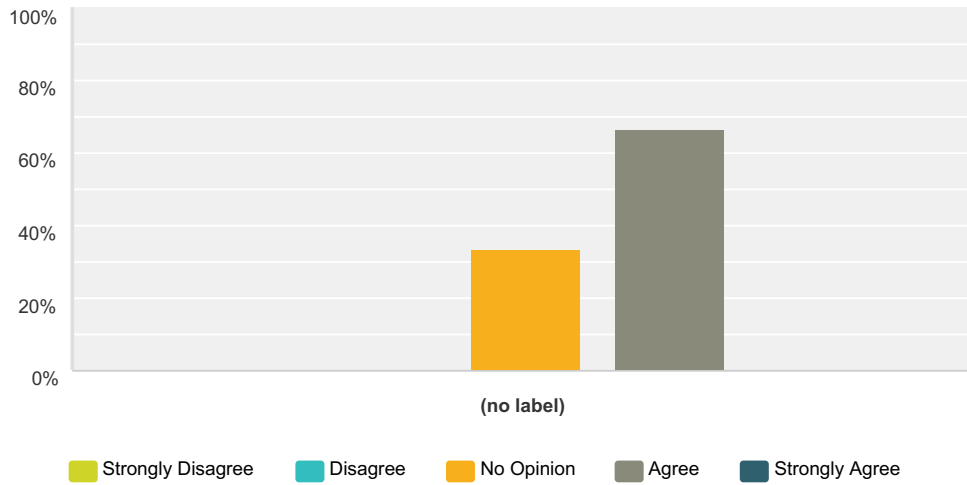


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	100.00% 6	0.00% 0	6	4.00

#	Other (please specify)	Date
	There are no responses.	

Q10 In addition, the treasurer will facilitate the Board’s understanding of the financial condition of the Cooperative and shall provide an annual report of the Coop’s financial condition at each annual meeting of the MemberOwners. Further, the Treasurer shall ensure the annual report is delivered to the Secretary of the State.

Answered: 6 Skipped: 0

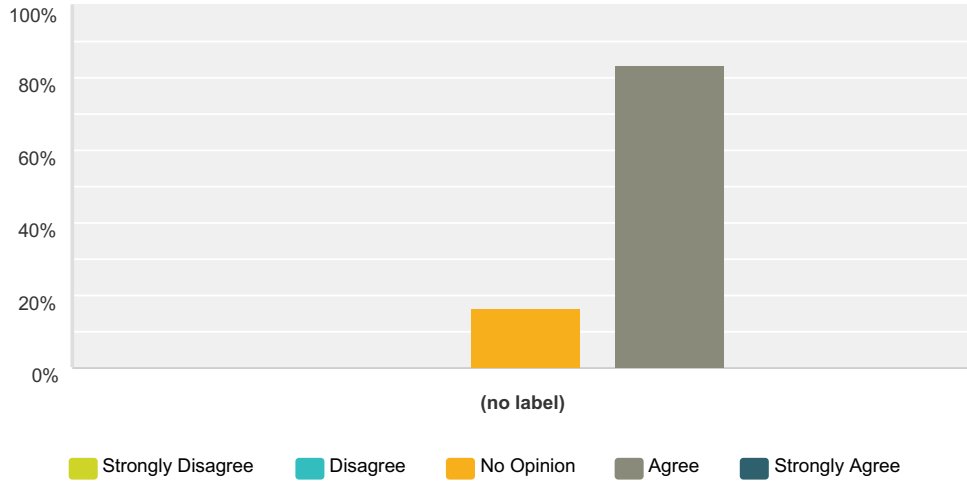


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	33.33% 2	66.67% 4	0.00% 0	6	3.67

#	Other (please specify)	Date
	There are no responses.	

Q11 The secretary will make sure the Board's documents are accurate, up to date, and appropriately maintained as required under Connecticut General Statutes.

Answered: 6 Skipped: 0

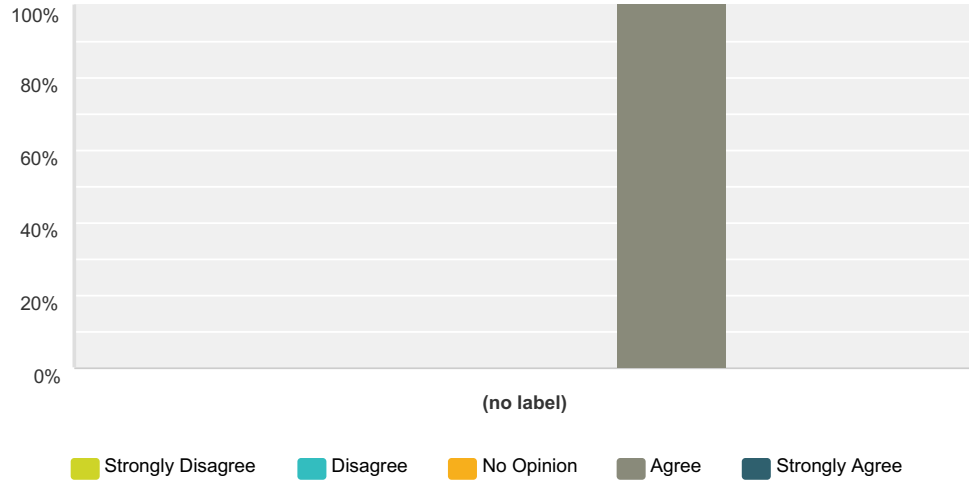


	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	16.67% 1	83.33% 5	0.00% 0	6	3.83

#	Other (please specify)	Date
	There are no responses.	

Q12 In addition, the Secretary will make sure final versions of the minutes are prepared and distributed each month.

Answered: 5 Skipped: 1



	Strongly Disagree	Disagree	No Opinion	Agree	Strongly Agree	Total	Weighted Average
(no label)	0.00% 0	0.00% 0	0.00% 0	100.00% 5	0.00% 0	5	4.00

#	Other (please specify)	Date
	There are no responses.	

FIDDLEHEADS BOARD OF DIRECTORS
Board Meeting of October 6, 2015

I. CALL TO ORDER, ATTENDANCE, ANNOUNCEMENTS

A. Call to Order

Susan Phillips called to order a special meeting of the Fiddleheads Board of Directors at 6:31 p.m. on Tuesday October 6, 2015 at 105 Huntington Street, New London, CT.

B. Attendance

The following Board members were present:

Susan Phillips, President
Susan Zimmerman, Vice-President- **attending by phone**
Helene Bardinet, Treasurer
Danny Spurr, Secretary
Carolyn Wilson
Mona Harmon-Bowman
Suzanne Cattanach

The following board members were absent:

Mark Patnode- **has resigned from the Board**

The following additional members were present:

Wynston Estes, Interim General Manager
Ellen Clinesmith

C. Check-in

The Board was informed of Mark Patnode's resignation, effective October 6, 2015.

Sue Phillips informed the Board that they should feel free to bring food to meetings.

D. Agenda Review

No comments.

E. Member Comments

No comments

II. OLD BUSINESS

**FIDDLEHEADS BOARD OF DIRECTORS
Board Meeting of October 6, 2015**

A. Discuss/Approve Interim GM monitoring Proposal

It was decided to table this item until after the Executive Session.

B. Appoint director to Board vacancy

Ellen Clinesmith was presented by Governance Committee for appointment to the Board.

Motion to appoint Ellen Clinesmith to the Fiddleheads Board of Directors:

Motion: Carolyn Wilson

Second: Helene Bardinnet

All in favor

There is still one Board vacancy to be filled.

III. EXECUTIVE SESSION

The purpose of the Executive Session is discuss Financial/Personnel Matters relating to year-end process and approve the minutes of the August 4, 2015 executive session.

Motion to enter executive session.

Motion: Suzanne Cattanach

Second: Carolyn Wilson

All in favor

Executive session entered at 6:36 p.m and exited at 7:45 p.m.

Confidential minutes were taken in executive session. No votes were taken.

IV. OLD BUSINESS

A. Discuss/Approve Interim GM monitoring Report

The Interim GM monitoring report will be amended to reflect the addition of B1 section 8 to the monthly monitoring section and postponement of reporting on B- Global to later in the year. The report will be presented for approval at the October 20, 2015 Board meeting.

**FIDDLEHEADS BOARD OF DIRECTORS
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VIII. CLOSING

A. Review tasks, assignments

Susan Zimmerman will look into NCG CBLD contract support as well as other possible NCG supports.

B. Meeting checklist.

A meeting checklist was conducted and there was discussion about revisiting the meeting checklist to update/amend it. No action was taken.

C. Adjournment

Motion to adjourn at 7:51 p.m

Motion: Ellen Clinesmith

Second: Suzanne Cattanach

All in favor

* * * * *

Draft minutes prepared for submission to board by Danny Spurr on October 11, 2015.

Minutes approved by vote of the Board on _____ and put into final form by Danny Spurr on _____.

Financial Review options

Compilation:

Estimated price - \$2,000

Resulting document is a set of financial statements with footnotes.

A compilation is the CPA taking your numbers and putting them into a set of financial statements with footnotes. There are very few required procedures so there is no assurance at all on the accuracy of the financial statements.

Review:

Estimated price - \$3,500

Resulting document is a set of financial statements with footnotes.

As an alternative to an audit the Cooperative may wish to have a review of its financial statements. A review is considerably less in scope than an audit and does not result in an opinion being given on the financial statements. A review consists primarily of inquiry and analytic procedures such as comparing financial results to budget and to other similar food cooperatives.

A review does not require us to visit the Cooperative and travel costs are not included in our proposed fee for a review. A review does not require that the inventory be observed by an outside CPA. A review also does not include the inquiry and documentation of the accounting systems or the internal control procedures in place to protect assets. A review does not normally include a management letter commenting on internal controls and other issues.

Reviewed financial statements are normally sufficient for meeting bank requirements for loan covenants and loan applications.

Assessment of Readiness for an audit:

Estimated price – with visit \$4,000; without visit \$2,500

Resulting document is a letter of suggestions to improve your accounting reconciliations and internal controls. This is typically performed just once with the idea that later there will be a review or audit. But some smaller coops have used it as a standalone engagement to help improve their systems.

Wegner CPAs will review your accounting procedures and internal controls in the areas of cash receipts, cash disbursements, payroll, and financial management. We will review the reconciliations of key balance sheet accounts including cash, inventory, and accounts payable for the most recently closed

accounting period to gain an understanding of how the accounting process works. We will also review the payroll, property, and sales taxes reports and payment procedures.

We will also consult with you on your financial statement presentation, and various other questions or concerns you may have. One goal for this procedure is to assess the readiness of the Co-op for a financial statement audit.

We expect to provide a list of items for staff to gather in preparation for the onsite visit. The onsite visit will be for a day on the date we agree on in advance. We will be available for continuing telephone support as needed. We will also plan to meet with the board during the visit at your option.

After the onsite visit we will prepare a letter to the Board describing our procedures and making recommendations for improving your accounting systems and internal controls. This can be presented to the Board in a conference call at your option

Fiddleheads Food Coop Board of Directors Conduct Agreement Form

(Note: This form is to be completed by all directors at least annually, preferably within one month following board elections and shall be updated as circumstances require.)

Fiddleheads Board Policy C5 Directors' Code of Conduct C5 - We each commit ourselves to ethical, businesslike and lawful conduct.

- 1) Every director is responsible at all times for acting in good faith, in a manner which she/he reasonably believes to be in the best interests of the Cooperative, and with such care as an ordinarily prudent person in a like position would use under similar circumstances.
- 2) Directors must demonstrate unconflicted loyalty to the interests of the Cooperative's owners. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups, membership on other Boards or staffs, and the personal interest of any director acting as an individual consumer or member.
 - a. There will be no self-dealing or any conduct of private business or personal services between any director and the Cooperative except as procedurally controlled to assure openness, competitive opportunity and equal access to "inside" information.
 - b. When the Board is to decide on an issue about which a director has an unavoidable conflict of interest, that director shall abstain from the conversation and the vote.
 - c. A director who applies for employment must first resign from the Board.
- 3) Directors may not attempt to exercise individual authority over the organization.
 - a. When interacting with the GM or employees, directors must carefully and openly recognize their lack of authority.
 - b. When interacting with the public, the press, or other entities, directors must recognize the same limitation and the inability of any director to speak for the Board except to repeat explicitly stated Board decisions.
- 4) Directors will respect the confidentiality appropriate to issues of a sensitive nature and must continue to honor confidentiality after leaving Board service.
- 5) Directors are expected to prepare for and attend all Board meetings and trainings.

Fiddleheads Board of Directors Bylaws – Removal and Conflict of Interest

4.4 Removal. A Director may be removed by decision of two-thirds (2/3) of the remaining Directors for conduct contrary to the Cooperative or failure to follow Board policies.

4.8 Conflicts of Interest. Directors shall be under an obligation to disclose their actual or potential conflicts of interest in any matter under consideration by the Board. Directors having such a conflict shall absent themselves from discussion and decision of the matter unless otherwise determined by the Board. No employee of the Cooperative may serve on the Board.

According to Article IV section 4.8 of the Fiddleheads Cooperative Bylaws, I have an affirmative duty to disclose my actual and potential conflicts of interests. My actual and potential conflicts of interest are listed below. I understand that I have a duty to disclose any additional conflicts that may arise and to abide by board policy regarding participation in matters under consideration by the board.

I agree to abide by Board Policy C5 and Bylaws 4.8 and any subsequent changes the board makes to that policy or bylaw. I agree that if, in the opinion of the majority of coop Directors, I have violated the letter or spirit of this agreement, I shall resign my position on the board immediately and shall not seek to cause continued disruption to the coop and the coop board for that action.

Signature of Director

Date

FIDDLEHEADS BOD 2016 CALENDAR

Item	January	February	March	April	May	June	July	August	September	October	November	December
Board Education	CBL101 9th Keene Financial Tng 23rd		Training			CCMA Conf 9-11		Conference		NFCA Fall Gathering	Yearly Reflection	Yearly Review and Update of next year's education plan
Member Engagement Newsletter Articles	Store- Board Task Force	Member Event to present Ends	Article about Policy Governance	Article about BoD Elections, Candidate Bios	Annual Meeting May 21 Article for Annual Report							
Admin Agenda Items			Review GM Compensation Proposal	Deadline BoD Candidate 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 2017 calendar	BoD Budget finalized		Review calendar for next year
Admin Board Monitoring	C7: Committee Principles	C8: Governance	D1: Unit of Control	D2: GM Accountability	D3: Delegation to GM D4: Monitoring GM	C: Global Governance D: Global BoD-Mgmt	C1: Governing	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

ANNUAL MEETING COMMITTEE REPORT December 2015

- Meeting date set for 5/21/16 at the Hygienic Art Park
- Invoice and contract drafts received. Additional cost of “audio helper” is \$500, separate invoice for that.
- Next meeting: January 7th at 6PM to discuss food/beverage, incentives/giveaways and voting/election logistics. Will need to work with governance committee on this.

MEMBER OUTREACH REPORT December 2015

- Outreach event/coffee meet & greet held on 11/19 & 11/20
- Some BOD members bagged groceries to interact with customers. It was very well received.
- Next outreach event proposed date: January 23rd & 24th 2016 10:00 to noon in the café
- Upcoming project: Facebook e-cards with the Ends policies, designed to match the new logo, Bookmarks for members/shoppers to be created if the budget allows. Will need design help from staff (cleared by Wynston)

HYGIENIC ART, INC.

79 Bank Street
New London, CT 06320
(860) 443-8001

LESSEE CONTRACT AGREEMENT

1. **THIS AGREEMENT** is made and entered into as of the date appearing below, the signature of the Hygienic, Art, Inc.'s (hereinafter referred to as the Hygienic) authorized representative, by and between the Hygienic and the Lessee for the use of the Hygienic Arts Park (hereinafter referred to as the Park) as specified herein.

LESSEE'S INFORMATION

Name of Person or Organization: Fiddleheads

Address: 13 Broad St.

City, ST, Zip: New London, CT 06320

Email: DanManSpu@gmail.com / cwilsonwellness@gmail.com

Phone: Daniel Spur 860-389-2054

Fax:

Authorized Representative: _____

2. **IT IS AGREED** that Lessee shall use and occupy the Park on 5/21/16 (hereinafter referred to as the "Event Date") for the following purpose and no other purpose(s), hereinafter referred to as the "Event"), unless expressly agreed to and approved by the Hygienic:

EVENT NAME: Annual Meeting

EVENT DESCRIPTION:

- Use of Art Park/ Indoor Gallery for annual meeting
- Stage available for use (sound system & person possible with additional fee)
- Approx. 300 People
- Cash Bar open and run by Hygienic (Additional fee for Fiddleheads Drink tickets purchased in advance)

Set-up:

- Tables, seating for 200 and Bar set-up by Hygienic Art
- All other set-up requirements fulfilled by Fiddleheads
- Additional "Set-Up" access dates needed will be coordinated with and approved by Hygienic's General Manager one week in advance.

3. SCHEDULE & NUMBER OF GUESTS The Event shall adhere to the following schedule:

Use* of the Park begins at: 3PM on 5/21/16.

Use* of the Park ends at: 9 PM on 5/21/16.

Approximate number of guests:3 00

4. LESSEE AGREES to pay the Hygienic the Fixed Facility Rental Fee for the Park & Galleries Of \$1,600.00

Use of the Park includes, unless expressly agreed otherwise, the following:

- X **Piazza** – The Piazza is the tiled entry area adjacent to the fountain
- X **Shaded garden** – The shaded garden runs through the center of the Park, with a gravel floor
- X **Other: Bathrooms & Indoor Gallery**

Note: Use of the arts Park stage is not permitted, unless specifically noted in the contractual agreement.

5. DEPOSIT: Lessee agrees to pay the following upon Lessee's completion of this Agreement and delivery to Hygienic:

- 50% deposit of the basic space rental fee

6. PAYMENT: The entire balance of the Fixed Facility Rental Fee is due 30 days prior to the event date. The entire balance is due on 4/21/16.

7. RETURN OF CONTRACT: Event Date(s) requested by Lessee are not firm until this Agreement is signed by Hygienic and returned to the Lessee. If for whatever reason the Event or Event Dates are not acceptable to the Hygienic, all deposits shall be returned to the Lessee.

8. CANCELLATION: The Lessee shall be entitled to a refund of all monies paid, less a \$150.00 administrative fee, provided 30 days prior to the Event Date the Lessee notifies the Hygienic, in writing, that the Event is cancelled. If the Lessee fails to notify the Hygienic as required herein that the Event is cancelled, the Lessee shall not be entitled to a return of deposit.

9. INSURANCE: All organizations, for-profit and non-profit, agree to provide public liability coverage with a limit of \$1,000,000 per occurrence, \$2,000,000 aggregate, for Bodily Injury and Property Damage, with Hygienic named as an Additional Insured. A certificate of insurance shall be provided to Hygienic no later than (10) working days prior to use.

10. INDEMNITY: Lessee shall indemnify and hold harmless Hygienic against any and all liability, penalties, damages, expenses and judgments by reason of any injury or claim of injury to person or property, caused by the negligence of the Lessee, Lessee's agents, employees or contract workers, arising out of the use of the Park and grounds by the Lessee, at any time during the term of this contract. The

Lessee is hereby surrogated to any rights of Hygienic against any other parties whomsoever in connection with use of the premises.

* The specific times indicated for "Use" of the Park include the time for set-up and clean-up.

11. **SAFETY AND BEHAVIOR:** Lessee agrees to conduct its activities upon the premises so as not to endanger any person thereon. All materials and equipment used by Lessee must conform to all existing fire and safety codes. Lessee further agrees not to bring onto the premises any material, substances, equipment or object which is likely to endanger the life of, or cause bodily injury to, any person on the premises or which is likely to constitute a hazard to property thereon. Lessee will enforce amongst its own personnel and guests, the legal consumption of alcoholic beverages to those of legal age to consume them. Construction and the painting of scenic elements are not permitted on the Hygienic Arts Park grounds. Basic assembly, touch-up and adjustment of scenic elements are allowed.
12. **PARK RULES:** Theatrical performances and musical entertainment must be concluded no later than 11:00pm, but in no event in violation of the city of New London's noise ordinances. The sale of liquor must be done in complete compliance with Connecticut state liquor laws. The Hygienic reserves the right to promulgate and enforce any and all additional rules as reasonable and necessary.
13. **DAMAGES:** Lessee shall be responsible for payment of any and all damages to the buildings, furnishings, fixtures, equipment or Park's decorative elements, caused by acts of the Lessee, or Lessee's agents, employees, patrons, guests and artists, whether accidental or otherwise. Lessee shall not be responsible for acts of negligence caused by Hygienic, its agents, employees and representatives.
14. **CLEAN UP:** Lessee agrees to leave the premises in the same condition as on the date use began. Additional charges for post-cleanup will be borne by the Lessee.
15. **CAPACITY:** Lessee will insure that persons will not be permitted inside the Park in excess of the established capacity, which is 300 people.
16. **ACCESS:** Lessee will afford Hygienic staff the right to enter any part of the Park at any time. Hygienic reserves the right to restrict access to qualified personnel to the stage and other areas.
17. **DONATIONS:** No collections of donations, whether for charity or otherwise, shall be made, attempted or announced by Lessee without prior approval of Hygienic. Such activity will be subject to a 25% commission to Hygienic, unless otherwise agreed to in writing.
18. **ACT OF GOD:** Neither Hygienic nor the Lessee shall be liable for failure to perform in the event that such failure is caused by or is due to acts or regulations of public authorities, labor difficulties, civil tumult, strike, epidemic, or any similar or dissimilar cause beyond the control of Hygienic or the Lessee.
19. **PERSONNEL:** The required Hygienic staff shall be on the premises throughout the Event and until Lessee has vacated the premises. With regard to stage rentals, the Hygienic staff may add or dismiss crew at their discretion. The cost of additional staff is the responsibility of the Lessee. Lessee will direct all concerns about personnel to the Technical Director or Production Manager. It is required that Hygienic personnel be on site at all times that the Lessee is on the premises.
20. **SUBLETTING:** Lessee may not sublet or in any way assign use of the Park or premises to any other person or organization.
21. **MODIFICATION: ENTIRE AGREEMENT.** This Agreement, together with the schedules and exhibits annexed hereto and the documents or other agreements referenced herein, constitute the entire agreement between the Parties, hereto pertaining to the subject matter hereof and, supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether oral or

written, of the Parties. This Agreement (including the schedules and exhibits annexed hereto) may not be altered, amended or modified in any manner except by a written instrument, signed by each of the parties hereto.

- 22. **GOVERNING LAW:** This Agreement and all agreements made pursuant hereto shall be construed and enforced in accordance with the laws of the State of Connecticut, without regard to the conflict of laws, provisions thereof.
- 23. **ARBITRATION.** Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules, then obtaining, of the American Arbitration Association, and the judgment upon the award rendered may be entered in any court having jurisdiction thereof. The Arbitration shall take place in New London.

NOTICE: This contract is notice that the State of Connecticut requires all Lessees of performance venues register with the State of Connecticut, Department of Revenue Services and withhold the appropriate income tax from all entertainers. Information on obligation to withhold is contained in the State of Connecticut, Department of Revenue Services Policy Statement "PS 96(1)." Please ask the Hygienic Gallery Manager and one will be provided. For further information, contact CT Revenue Services at (860)541-4550. Signing this contract indicates the Lessee has been notified by the Hygienic about the Lessees obligation to the State of Connecticut, Department of Revenue Services.

Additions:

LESSEE: _____ (please print)	HYGIENIC, Inc.
By: _____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

INVOICE
DATE 12/9/16

HYGIENIC ART, INC.
79 Bank Street
P. O. Box 417
New London, CT 06320
860-443-8001 fax: 860-443-8001

BILL TO: Fiddleheads
Fiddleheads Natural Foods Cooperative
13 Broad Street
New London, CT 06320

<u>ITEM</u>	<u>AMOUNT</u>
ANNUAL MEETING : Saturday 5/21/16 4-8pm	
Art Park Rental	\$1,200
-Gratuity Discount (For In-Kind Food Donation)	-\$100
Indoor Gallery Rental	\$600
-Neighbor Discount	-\$100
Total	----- \$1,600.00
50% Deposit Due Upon Receipt	\$800.00

*The entire balance of the Fixed Facility Rental Fee is due 30 days prior to the event date.

The entire balance is due on 4/21/16.

PLEASE MAKE CHECK PAYABLE TO:
Hygienic Art Inc.

December 2015 Fiddleheads Policy Monitoring Report
December 10, 2015
Wynston Estis

Ends A2 – Thriving Local Economy (Adopted January 6, 2014) *All reports*
Fiddleheads exists so to make Southeastern Connecticut a thriving, locally based economy
I report reasonable progress towards accomplishment.

We continue to focus our purchases through as many local vendors as the season and sales will allow.

Our most recent efforts include:

- Shop Small Saturday General Merchandise promotion increased the categories sales two fold for that day
- City Flats conversation regarding how FFC contributes to the urban revitalization movement in New London and future collaborations.
- New London Food Policy Council offered FFC to have a representative to attend and participate in their monthly meetings
- Constant Contact posts are going out once a week routinely
- Facebook posts are capturing the excitement of the changes we are making here

Ends A3 – Sense of Community (Adopted January 6, 2014) *All reports*
Fiddleheads exist so that shoppers and members have a strong sense of community
I report reasonable progress towards accomplishment.

Steps we are taking to improve our visibility and presence in the community:

- Niantic Yoga Zen and Now outreach
- Outreach staff is working with a new owner/ worker for local school outreach support
- Outreach staff is working with a new owner/ worker for student art exhibits
- IGM including owner owner/ worker in owner incentive education campaign
- Connecticut College Faculty and Staff Christmas party favors donation
- Board meet & greets with and without bagging

Executive Limitations B- Global Executive (Revised June 18, 2015) **December**
The General Manger shall not cause or allow any practice, activity, decision, or organization circumstance that is unlawful, imprudent, or in violation of commonly accepted business and professional ethics and practice or, in violation of the Cooperative Principles
Executive Session_ Legal (tabled to next meeting)

Executive Limitations B1 – Financial Condition and Activities (Revised June 18, 2013)
December

Sections 1,2,3,5,7, and 8 *All reports*

This report uses data as of September 30, 2015 except as noted. Quarter 3 results are now included.

The GM shall not

- 1) Allow sales to decline or be stagnant.

Data = Operationally the Co-op underperformed in sales showing a negative sales growth compared to the same quarter prior year in the last two quarters.

	Q1	Q2	Q3	Q4	YTD
Sales (before discounts) 2014	\$817,634.19	\$868,370.28	\$830,877.46	\$818,946.00	\$3,335,827.93
Sales (before discounts) 2015	\$833,438.96	\$865,964.28	\$807,506.86		\$2,506,910.10
Sales growth	1.90%	-0.28%	-2.89%		

Conclusion: Not in compliance.

Plan: Here is what we are doing to grow sales.

- Development of product systems and promotions
 - Establish consistent daily stocking routine for Grocery staff to improve customer shopping experience
 - Promotion signage, order systems and display strategies
 - Promotion signage is going to be managed in Catapult for the aisles
 - Use Promotion Program planner template to improve consistency in offering an array of goods from across the store (Meat, Cheese, Frozen, etc every month)
 - Use End cap planner to plan displays and display order stock
 - Review of pricing strategies
 - Refrigerated grocery is under review for mid-December
 - Date checking systems trained and documented
 - Grocery staff will be held accountable for checking dates in the normal course of their duties to manage losses and protect our customer from purchasing short dated items inadvertently

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

Data = Current ratio as of 3/31/15 was 2.15:1. Current ratio as of 6/30/15 is also 2.2:1. Current ratio as of 09/30/2015 was 1.69:1. Current ratio as of 12/04/2015 was 2.03:1 Minimum acceptable is 1.25: 1

Conclusion: In compliance

To improve our cash position we continue to focus on managing expenses, informing vendors and suppliers of payment plan needs and most importantly working on many fronts to grow sales.

- December holiday promotion in the General Merchandise department the weekend before Christmas. Based on the success of the Shop Small promotion we've decided to offer the 10% off on general merchandise purchase of \$25.00 or more once again to move that product which will generate revenue
- Continue to improve quality and pricing in our aisles through setting up routine procedures in each department to cull produce and perishables at the beginning and ending of every shift
- Review efficiencies in the backroom operations to insure that systems in the back areas support the floor operations. Grocery back stock was recently reorganized to match the floor layout which is a standard approach so that all staff can find product when Grocery is gone for the day.
- Administrative staff are all located together for better efficiency and office equipment sharing
- Product staff are all located together in order to keep their hive like activities from distracting admin workers

Sales for October and November are encouraging that our efforts are having an impact.

Month	Sales	Gross Margin	Labor %	Net Income
October	\$272,010.08	42%	20%	\$17,700.57
November	\$272,272.52	35%	18%	\$8096.07 *

* Although margin performance did come down due to pricing adjustments and growth in offering discounted product through the Pantry program there is another factor that helps explain the drop in profitability which is depreciation. We have taken 33k YTD and we believe it wise to not take any more until we close the year and make adjustments then.

2) Allow operations to generate an inadequate net income.

Data = Net Income was 1.6 first quarter and 1.43 in the second quarter. Third quarter came in at -7.08 Fourth quarter YTD 4.35

Conclusion: Not in compliance

Plan to improve net income performance

To improve FFC net income we need to build our sales and cash base while protecting our ability to become profitable by replacing the current 2% owner discount with focused owner discount programs that are managed through operations rather than policy. At our November BoD meeting you endorsed my recommendation that we proceed with replacing the 2% owner discount with a product and service based approach to incentivizing use of the Co-op.

Staff and I have committed to three new product promotions to replace the owner discount. To receive these discounts an owner must be current in their equity payments and in good standing with the Co-op.

- The BIG Deal- will focus on deep discounts on an item or two per month on high quality staple goods such as olive oil in the month of January.
- Owner Exchange- will offer our premier brands and locally produced natural foods at discounted prices, 20% and greater, every month.
- Quarterly 10% off coupon- Once a quarter each ownership will have one 10% coupon to use whenever that owner account chooses to use it.
- Other quarterly and seasonal exclusives to be developed.

I have been designing a communication plan to convey this change to FFC benefits of ownership to shoppers and owners. It will be available in store as well as on line which includes a letter from me as IGM explaining what we are changing and why. I have also asked a staff member, Amelia Lord, an owner, Bonnie Tompkins, and a BoD member, Mona Harmon-Bowman to write letters of support for the new approach to incentivize placing equity in the Co-op and value in ownership.

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

Data = *The IGM has not incurred any new debt other than trade payables*

Conclusion: In compliance

7) Allow tax payments or other government-ordered payments or filings to be overdue or inaccurately filed.

Data = *The following taxes were paid in a timely manner*

Personal Property tax, bi-annually next payment due December 2015

Sales tax, monthly on the 20th of the month for the previous month based on sales

Conclusion: In compliance

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

Data: *Payroll obligations have been met in a timely manner. Loan payments are current as of 12/03/2015 Our accounts payable are not current as we have \$209.21 in AP's over 30 days with AP's due within the next 30 days of 52,000k some of which are beyond terms (down from 90k in previous report).*

Conclusion: Not in compliance

Plan: I have developed a cash budget to determine how much money we can devote to reducing our AP. In addition, plans to grow sales and maintain expenses will help generate cash to assist with becoming current. We expect that 3rd quarter sales will be the lowest of the year with the most expenses.

A new area of concern is scheduled payment of our lease in Quickbooks that will post the rent expense accurately via automated process. I have discovered we are not current on our lease, we are one month behind. There is also a Common Area Maintenance past due amount that is not currently in our system. I will work with Bev or other outside professional to implement the solution to these issues in order to stay current on lease payables.

Executive Limitations B2 – Business Planning and Financial Budgeting (Adopted June 18, 2013) *All reports*

I report compliance

I am working with staff to develop alternate programs to incentivize member use of the retail store. Fiscal 2016 budget is underway and should be complete by year end. I plan to work toward aligning the Fiddleheads chart of accounts with the tool that NCG uses as part of our budgeting work.

Refer to Executive Limitation B1

Executive Limitations B3 – Asset Protection (Adopted June 18, 2013) *All reports*

I report compliance

We have a plan for improved performance on this metric detail in prior reports that focuses on our physical plant security, data and information security, Payment Card Compliance, and an upgrade to our firewall in the course of the upcoming year.

Executive Limitations B4 – Membership Rights and Responsibilities (Adopted June 18, 2013) *By exception All reports*

Conclusion: Not in compliance

Plan to come into compliance by Co-op's birthday when the new owner exclusive incentives will go live. All non-owners and owners not current with their equity payment will not be eligible for any owner discounts or incentives.

Executive Limitations B5 – Treatment of Customers (Adopted June 18, 2013) **December**

I report compliance

The General Manager shall not be unresponsive to customer needs.

The GM will not:

1) Operate without a system for soliciting and considering customer opinion regarding preferences, product requests, complaints, and suggestions

I am monitoring the Co-op customers input in the following methods:

- The Co-op Café results that the board recently gathered.
- I spend from 4-6:30 on the floor most Wednesday evenings stocking and talking to our customers
- I bag for cashiers and customers on the weekends and other times when needed and ask people what they think about the changes we've made and other changes we are planning

Improvements that I have asked for include;

- Constant Contact posting to owners contains my email for owners to contact me directly with ideas
- We will broaden its focus to include room for either product requests, a comments or suggestions.
- We will add a space for owners to leave their email for a direct reply rather than just leaving input in the book
- The product suggestion book at the start of produce will now be monitored by Community Outreach staff

2) *Allow an unsafe shopping experiences for our customers.*

The Front End Manager, James Burke, and Coordinators touch base daily on the condition of the store.

- Staff are trained in the proper use of safety equipment such as 'wet' floor sign placement
- Staff quick to react and resolve any sort of safety issue they become aware of, typically broken jar of something
- Staff and Coordinators are comfortable notifying me of problem users of the store so that I can intervene or create necessary policies to support their ability to manage difficult or demanding customer

To improve our compliance, and as suggested by the CDS Staff Survey, we will be reviewing the safety / emergency procedures that have been developed for FFC staff.

Executive Limitations B7 – Communication to the Board (Adopted June 18, 2013)

I report compliance

I am in frequent communication with the board regarding the status and concerns of the Co-op.