

AUGUST 2013 BOARD PACKET

<p>FIDDLEHEADS BOARD OF DIRECTORS MEETING August 20, 2013</p> <p>6:30-8:30 PM</p> <p>105 Huntington Street, New London</p>

Time	Topic	Board Action/ Outcome	Leader
6:30-6:40	<p>Meeting Preamble</p> <p><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></p> <p>Check-in</p>		President
6:40-6:45	Agenda Review	Make any needed adjustments	President
6:40—6:50	Member Comments		President
6:50-6:55	<p>Officer Elections</p> <p>Candidates:</p> <p>President, Susan Zimmerman</p> <p>Vice-President, Mark Roberts</p> <p>Secretary, Jamie Lee</p> <p>Treasurer, Ed DeMuzzio</p>		President
6:55-7:00	<p>Minutes of June 18, 2013 and July 16, 2013 (board packet)</p> <p>GM monthly update report and July sales (board packet)</p>	<p>Accept</p> <p>Accept</p>	<p>Secretary</p> <p>GM</p>
7:00-7:10	<p>Financial Report</p> <p>Six-Month Financials (attachment)</p>	Accept	GM

7:10-7:15	Board Reports Governance Committee (board packet)	Approve revised charter	Mark Roberts/Lisa Cygan
7:15-8:00	Board Discussion CDS Consulting Contract and Retreat Board Self-Assessment Summary (attachment) GM Monitoring (board packet)	Discuss and approve proposal Review summary, and proposed changes for approval at Sept meeting Discuss next steps	President
8:00-8:15	Executive Session-GM Evaluation Letter and Compensation	Approve	President
8:15-8:30	Closings 9. Agenda preview (Board Packet) Debrief/ Evaluate Meeting Review Decisions, Tasks, Assignments Adjourn Meeting	Review Evaluate preamble, meeting process	President President Recorder
	Goodbye, Good Job!		

BOARD PACKET:

- 1) Draft June and July Minutes
- 2) General Manager Report and July Sales
- 3) Proposed Governance Committee Charter

- 4) CDS Consulting Contract-Proposed Additional Hours
- 5) GM Monitoring Documents
- 6) Draft September Agenda

ATTACHMENTS:

- 1) Six Month Summary
- 2) Self Assessment Survey
- 3) Self Assessment Summary

June 18, 2013 Minutes

I. CALL TO ORDER

Susan Zimmerman called to order the regular meeting of the Fiddleheads Board of Directors at 6:30pm on June 18, 2013 at 105 Huntington Street, New London, CT.

II. ATTENDANCE

The following Board members were present:

List Name (and any parts of meeting missed) (move to absentee list as necessary)

Susan Zimmerman, President
Mark Roberts, Vice President
Ed Demuzzio, Treasurer
Lisa Cygan
Lee Boltz
Mona Harmon-Bowman
Carolyn Wilson
Sue Phillips
Ellen Clinesmith
Jamie Lee

The following Board members were absent:

Suzanne Cattanach

The following addition persons were present:

Alyssa Skaves, Recording Secretary
Richard Virgin, General Manager
Jessica James-Carnes, Member Outreach Coordinator

III. AGENDA REVIEW

Nothing added to the agenda at this time.

The General Manager offered to do some training for board members and the best time was determined to be prior to board meetings at 6:00, beginning next month.

Interim Secretary was removed from the agenda

IV. MEMBER COMMENTS (By board policy limited to 2 minutes per speaker.)

No members present.

V. APPROVAL OF MINUTES FROM PRIOR MEETING(S)

Date of Meeting: May 21, 2013

Discussion/Corrections:

small editorial changes.

Board budget-add: to address board questions raised at the March meeting. New paragraph, separate topic: Audit

Annual Meeting Task Force: change wording: Depending on where meeting is held, door would need to be staffed.

Motion to accept May minutes with the proposed changes:

Movant: Sue Phillips

Second: Mark Roberts

Those in favor of approval (as corrected): 9

Those opposed:

Those abstaining: 1 (Jamie Lee was absent to May meeting)

Action Items: Alyssa will make corrections to the May minutes. Jamie Lee will send a copy of finalized minutes to board members. Ellen Clinesmith will update website.

VI. Approval of General Manager's Monthly Update and May Sales Report

Summary: An inventory is scheduled for before July 4th, to be completed by an inventory company. Some member will still be asked to volunteer to help with certain portions of the inventory, such as weighing bulk items.

The General Manager extends a thank you to Jessica for her work. School tours have been organized with local schools (Multicultural Magnet School, two classes from Nathan Hale) with help from John Seargent. These tours includes sampling, farmers meeting and talking with students, and staff talks from the store standpoint. This in turn helps the schools incorporate healthy food/snacks in the school and the students are more receptive.

There was also an explanation of a few rows on the attached report, for example, some of the numbers were reflecting the number of shoppers.

An update on Fisher's Island program: There exist 2 regular shoppers, but publicity for this program will be increased. Some kinks are still to be worked out considering the shipping containers for the products

Motion to accept GM's report:

Movant: Ellen Clinesmith

Second: Lisa Cygan

Status of Motion:

Those in favor: 10

Those opposed: 0

Those abstaining: 0

VII. GUEST PRESENTATION: Volunteer Programs

Jessica James-Carnes, Member Outreach Coordinator

Summary: Jessica explained a shift in the way members are currently and will be involved at the coop. With the addition of more paid employees at the store, member volunteers, once needed to mainly fill shifts, will be able to

provide more outreach in the community. To this end, Jessica attended a Neighboring Food Cooperative Conference to network and gather information and ideas with others in her position.

In addition, Jessica has been holding Member Orientations. There have been 22 since November and 49 new members were added in total. The purpose of the Orientations is to help members connect with their cooperative and feel more ownership and familiarity with the store. These orientations include a tour and information about how to be a working member. In addition to these orientations, there have also been one to two outreach events per month, such as staffing tables at health fairs in the area.

Board also reflected positively, favorably on having the presentation from someone from the store.

Action Items: Jessica will provide Member Orientation to the board so they may attend. Jessica will work with Jamie Lee on a potential youth program. There will also be future discussion of an Outreach Committee.

VIII. TREASURER'S REPORT/FINANCIAL REPORT

Discussion/Summary: The Treasurer, General Manager, and accountant have reconciled how they will present the financial data and they will continue to present the data in this format. The GM explained how the numbers are calculated and explained how the process is more authentic. The financial information is being reported from an accrual basis.

A physical inventory will be scheduled for July.

Action Items/Person(s) Responsible: GM will distribute the information in an electronic version.

Motion to accept Accountant's report:

Movant: Mark Roberts Second: Jamie Lee

Status of Motion:

Those in favor: 10
Those opposed: 0
Those abstaining: 0

IX. BOARD REPORTS: Board Governance Committee

Summary: *(Provide summary of verbal report or indicate that a written report is attached.)*

President proposes reevaluating some aspects of this committee to ensure it is maximizing its effectiveness.

Motion to do an after action review of Committee charter:

Movant: Mona Harmon-Bowman Second: Lee Boltz

Those in favor: 10
Those opposed: 0
Those abstaining: 0

X. BOARD DISCUSSION

A. Draft By Laws (Board Packet)

Summary: Background reviewed. The Proposed Interim Bylaws were prepared to be voted upon, to be revisited after issues with articles of Incorporation are resolved.

Institutional memberships were eliminated, a legal language issue resolved, and an issue with patronage distributions was also resolved. The Proposed Interim Bylaws did retain the right of the board to change the bylaws. Ultimately that power will be returned to the members, but after all issues are resolved.

Action Items/Person(s) Responsible: The language concerning the bylaws and member/owners will be made consistent.

Bylaws, Member-Owner (language to be consistent)

Motion to accept motion, granted that the designation for the Bylaws and Member-Owners is consistent.

Movant: Mark Roberts

Second: Lee Boltz

Those in favor: 9

Those opposed: 0

Those abstaining: 1 (Ed Demuzzio)

B. Policy Manual (Board Packet)

Summary: The board flagged areas of concern with the attention of accepting the remainder of the document, and revising problem areas later.

Motion to approve policy manual with the editorial changes proposed and to remove from this motion section C5-2c, C5-7 and C6.

Movant: Mark Roberts

Second: Ellen Clinesmith

Status of Motion:

Those in favor: 9

Those opposed: 0

Those abstaining: 1 (Ed Demuzzio)

Action Items/Person(s) Responsible: D4 some dates will be corrected.

Sections C6 (regarding officer roles), and C5 (board member code of conduct), specifically C5-2c and C5-7 will now be discussed for possible alteration before adoptions.

Discussion: C5-2c- This section requires a director to resign from the board before applying for a job with the co-op.

The board participated in an in depth discussion of issues that could arise if the language changed to allow board members to apply for jobs at the Cooperative without resigning their position on the board. Multiple perspectives were presented and considered. (Nice)

Motion to keep language as stated:

Movant: Lee Boltz

Second: Mona Harmon-Bowman

Those in favor: 6
Those opposed: 3
Those abstaining: 1

Motion to add to statement: a resigning member can reapply for the board once the hiring has been determined

Movant: Mark Roberts

Second: Lisa Cygan

Those in favor: 4
Those opposed: 6
Those abstaining: 0

C5-7: This section (C5-7) Conflicts with the Bylaws by requiring a simple majority to vote a director of the board instead of a 2/3 majority.

Motion to remove C5-7

Movant: Ed Demuzzio Second: Mark Roberts

Those in favor: 10
Those opposed: 0
Those abstaining: 0

C6: This section concerns officer roles and specific discussion concerned a proposal that someone besides the President prepare the monthly agenda, specifically the VP or Secretary, to lessen burden on President. Instead, it is decided the President should continue to set the agenda for meeting, but another board member may facilitate if desired. It is also mentioned that the responsibility to facilitate could be broken up amongst board members. This could allow for experimentation with various facilitating styles.

A discussion ensued:

Motion to add in section 3B - The President will set the agenda for Board Meetings and facilitate the meeting or will ensure the facilitator is adequately prepared..

Motion to add in section 6A – the Secretary will make sure final versions of the minutes are prepared and distributed each month.

Movant: Mark Roberts

Second: Mona Harmon-Bowman

Those in favor: 10
Those opposed: 0
Those abstaining: 0

C. Monthly Workflow (Board Packet)

Summary: A 3 meeting period was proposed as a trial period for the workflow. There were also some minor editing changes.

The Vice President proposes that when minutes are sent to chair and GM, the board should also be copied.

Action Items/Person(s) Responsible: Secretary will send out a copy of the minutes to GM and all members of the board.

Movant: Ellen Clinesmith

Second: Lisa Cygan

Status of Motion:

Those in favor: 10
Those opposed: 0
Those abstaining: 0

D. Owner Participation in Fiddleheads Board Meetings (Board Packet) : TABLED

XI. CLOSING DISCUSSION

Review Decisions, Tasks, Assignments

Next meeting topics: Audit proposal, written conference reports, finalizing slate of officer candidates, executive session to approve GM evaluation form, owner participation, self assessment discussion set for August meeting,

Agenda Preview: a committee was created to review the self-assessment and report back to the board in August. Committee members include: Lee Boltz, Mona Harmon-Bowman, Carolyn Wilson, and Sue Philips.

A Debrief of the meeting by the board was added.

XII. ADJOURNMENT

Sue Phillips moved to adjourn at 9:12. The motion was seconded by Mona Harmon-Bowman. Voting was as follows:

Those in favor: 10.
Those opposed: 0.
Those abstaining: 0.

Draft minutes submitted by: Alyssa Skaves on: June 25, 2013

Draft minutes prepared by: _____ (*name*) on: _____ (*date*).

Minutes approved by vote of the Board on: _____ (*date*)

July 26, 2013 Minutes

XIII. CALL TO ORDER

Susan Zimmerman called to order the regular meeting of the Fiddleheads Board of Directors at 6:36 pm on July 26, 2013 at 105 Huntington Street, New London, CT.

XIV. ATTENDANCE

The following Board members were present:

List Name (and any parts of meeting missed) (move to absentee list as necessary)

Susan Zimmerman, President
Mark Roberts, Vice President
Ed Demuzzio, Treasurer
Lisa Cygan
Lee Boltz
Mona Harmon-Bowman
Carolyn Wilson
Sue Phillips
Ellen Clinesmith
Jamie Lee

The following Board members were absent:

Suzanne Cattanach

The following addition persons were present:

Richard Virgin, Fiddleheads GM
Alyssa Skaves, Recording Secretary

XV. AGENDA REVIEW

No adjustments, comments

XVI. MEMBER COMMENTS (By board policy limited to 2 minutes per speaker.)

No members present.

XVII. APPROVAL OF MINUTES FROM PRIOR MEETING(S)

Date of Meeting: June 18, 2013

Discussion/Corrections: Included the number of new members as 46 under the Presentation. Clarified the Policy Manual Description. Included the creation of the Agenda Preview Committee.

Action Items: Alyssa to send edited version to board for approval. The minutes will be approved at the August meeting.

XVIII. Approval of General Manager's Monthly Update Report

Summary: document attached. Sailfest was not successful. There was very little pedestrian traffic due to weather and other circumstances. The typical sales dip seen in the summer has not yet appeared. Fisher's Island program has grown from 2 or 3 orders per shipment to 5. Dollar volume between 500-600 each time.

Motion to accept GM's report:

Movant: Mark Roberts Second: Susan Zimmerman

Status of Motion:

Those in favor: ___10__ .
Those opposed: ___0__ .
Those abstaining: ___0__ .

XIX. BOARD REPORTS

A. Conference Report (Lee Boltz and Mark Roberts)

Summary: Document attached. Follow up includes expanding Community Outreach Programs with Jessica James-Carnes. This conference would be recommended by Lee, but Mark found it weaker than previous years. It was suggested attendance at this conference be biannual.

B. Legal Review Task Force

Summary: Document attached. Attorney Lushin requested \$2000 retainer and has exceeded this amount by \$350. He will require the rest of the \$3000 retainer for him to finish the work requested.

Motion to take attorney's recommendations to the Bylaws Committee:

Movant: Mark Roberts **Second:** Lee Boltz

Those in favor: ___10__ .
Those opposed: ___0__ .
Those abstaining: ___0__ .

Actions Items/Person(s) Responsible: Bylaws Committee will meet to discuss the attorney's recommendations

XX. BOARD DISCUSSION

A. Board Governance Committee

Summary: Committee Charter attached. The Committee has reviewed and is working to amend their charter. The Committee is responsible for making suggestions via Board development and will meet with Board members annually to discuss personal development goals. New Board members will meet with the Committee within three months of being appointed.

Research and development opportunities shared by the Committee are to be discussed and processed by the Board as a whole.

The Committee will receive all nominees for Board participation and solicit suggestions from staff, Board, or committee membership. They are also responsible for recruitment and training of new Board members and for outreach to Member Owners who would like to be active with the Board or pursue Board committee membership.

The Committee will research and present potential conferences for board attendance to be discussed at a later board meeting.

Decisions regarding Board retreats will be discussed at the Board level and are beyond the scope of this committee.

Action Items/Person(s) Responsible: On the third item on the charter, “not more than quarterly” will be added.

The last two items on charter will be removed to incorporate the research of new development opportunities and meeting with new Board members within 3 months and annually with board members to discuss development.

Board members are to periodically attend staff meetings.

Board members are to bring in conferences in which they are interested.

Sue P. will work with Gov committee to make changes to charter and bring it to August board meeting for approval

B. Finalize slate of officer Candidates

Summary: Officer elections have been postponed until August, so the positions could be brought to board for discussion. The vote will be held position by position, vs. by slate of candidates.

President: Sue Phillips nominates Susan Zimmerman. She accepts. Mona Harmon-Boman nominates Sue Phillips. She declined

Vice President: Mark Roberts nominates himself.

Secretary: Lisa Cygan nominates Jamie Lee. She accepts.

Treasurer: Sue Phillips and Lisa Cygan nominate Ed Demuzzio. He accepts.

C. GM Compensation (CBLD article “Setting a Process for GM evaluation)

Summary: The President wanted to introduce ideas presented in this article to the Board. Compensation does not have to be tied to evaluation. Discussion of process outlined in article are discussed.

Motion to add Ed Demuzzio to Compensation/Evaluation committee.

Movant: Mark Roberts

Second: Sue Phillips

Those in favor: ___10_ .

Those opposed: _____0_____
Those abstaining: _____0_____.

It is suggested that GM make a suggestion as part of his self evaluation as to what his compensation should be. This would then be approved by the board.

This process will be amended in the future to consider the outline proposed in the article.

Motion for Compensation Committee to determine General Managers compensation.

Movant: Ed Demuzzio **Second:** Mark Roberts

Status of Motion:

Those in favor: __9__ .
Those opposed: _____0_____
Those abstaining: _____1_____.

D. Executive Session to discuss and approve GM evaluation. 8:14pm-8:52

XXI. CLOSING DISCUSSION

Summary: Amend August agenda to add approval of meeting minutes for June Meeting

Sue Z to follow up with GM regarding the Audit Proposal

Debrief: Mixed review good to okay (may need to address time management of meetings better)

XXII. ADJOURNMENT

(Indicate who moved to adjourn, who seconded, at what time and vote on motion.)

____Mark Roberts____ moved to adjourn at _9:01____. The motion was seconded by _____.
Voting was as follows:

Those in favor: _____ .
Those opposed: _____0_____
Those abstaining: _____0_____.

Draft minutes submitted by: Alyssa Skaves on: July 20, 2013.

Draft minutes prepared by: _____ (*name*) on: _____ (*date*).

Minutes approved by vote of the Board on: _____ (*date*)

General Manager Report

July/August

Let me explain first that I am sending you a six month draft financial report for the first six months of this year. It is a draft for a couple reasons. With the current audit going on we have not double checked all of the second quarter figures to verify their accuracy. Second, with the inventory taking place in mid July, the auditor is insisting that the financials be calculated as of that date rather than July 1. This will provide a more accurate report as it will include the inventory, but it also means that actual quarterly report won't be ready for the August meeting.

I have included the July sales report. You will see that they did drop from June. While the drop was about \$10,000 in my opinion this was not too bad. In addition to the drop that typically occurs this time of year with the impact of farmer's markets, home gardens and people on vacations, we also had the freezer down a couple times during this period and two weeks of very hot weather when people just weren't eating much of anything.

Our biggest issue of the past six weeks has been the 8 door freezer which is now out of commission. We are selling off the product which has been in the freezer recently which has made numerous trips in and out to the walk in freezer. We will be without a display freezer for 6-8 weeks while we wait on a new one. We are getting prices this week and should place an order right away. But these items are not in stock and they begin making the freezer once the order is placed.

During the past month we began providing food items to the Mohegan Sun. They recently became aware of us and were pleased to learn of our existence and they often need organic food items for their performers. They had been running all over the place trying to find items and were thrilled to learn about us. They have been here several times already to purchase items for visiting performers.

Field of Greens, the New London Farmers Market, has asked us to consider tabling at one of their markets which we are investigating. We are meeting with representatives of the CONN College sustainability committee to finish arrangements for our having a table to sell items to students on campus once a week. They have sought us out to do this from the results of a student survey.

	JulyWk1	JulyWk2	JulyWk3	Julywk4	Julywk5	Total
Bulk	5,340.82	7,212.96	5,972.06	7,854.48	3,286.42	29,666.74
PRODUCE	10,547.40	13,256.88	11,301.59	10,568.53	5,300.69	50,975.09
REFGROC	5,686.77	7,823.48	7,346.65	7,679.49	3,933.73	32,470.12
Spice&Tea	397.10	542.50	408.70	634.35	226.94	2,209.59
HABATAX	2,918.45	3,839.18	3,951.86	3,351.21	1,780.62	15,841.32
PCKGGROC	8,049.29	11,698.62	9,991.82	11,620.18	6,245.43	47,605.34
TAXBLGROC	1,093.65	1,665.07	1,595.71	1,621.24	860.57	6,836.24
CHEESE	1,251.18	1,635.07	1,322.69	1,595.44	756.05	6,560.43
GENMERCH	-	-	-	-	-	-
TXBLMERCH	949.55	1,684.94	1,401.14	1,388.92	747.47	6,172.02
FR0ZEN	2,916.73	2,875.64	3,504.93	2,792.55	1,489.28	13,579.13
BAKRY	1,112.91	1,708.59	1,493.62	1,538.22	919.38	6,772.72
TAXBULK	59.84	75.70	28.47	42.64	39.77	246.42
BEER	312.66	458.81	484.29	488.09	160.23	1,904.08
MISC	-	-	-	-	-	-
GiftCertSales	50.00	155.00	100.00	-	-	305.00
marketchgs	35.00	14.00	49.00	21.00	14.00	133.00
Discount	-	-	-	-	-	-
	<u>\$40,721.35</u>	<u>\$54,646.44</u>	<u>\$48,952.53</u>	<u>\$51,196.34</u>	<u>\$25,760.58</u>	<u>\$221,277.24</u>
FourMile	586.94	477.09	582.64	564.79	230.29	2,441.75
BOTTLEDEP	145.10	222.55	198.80	199.50	105.90	871.85
BOTTLERETURN	(93.90)	(179.65)	(120.80)	(131.40)	(126.90)	(652.65)
DONATIONS	-	-	-	-	-	-
VENDORPAYMENTS	-	-	-	-	-	-
MEMBERSHIP	520.00	820.00	440.00	230.00	125.00	2,135.00
	<u>\$41,879.49</u>	<u>\$55,986.43</u>	<u>\$50,053.17</u>	<u>\$52,059.23</u>	<u>\$26,094.87</u>	<u>\$226,073.19</u>
	800	1077	1078	1036	536	4527
	\$52.35	\$51.98	\$46.43	\$50.25	\$48.68	\$49.94

SIX MONTH FINANCIAL SUMMARY
See Attachment

REVISED GOVERNANCE COMMITTEE CHARTER

PROPOSED July 16, 2013

ADOPTED: _____

Composition: Up to three Board Members and up to three Member-Owners

Current Committee Chair: Mark Roberts

Meeting Frequency: Monthly or bi-monthly as needed

Purpose:

- Solicit suggestions from Member-Owners and Staff for Board and Directors and Committee membership.
- Make recommendations to Board for Member-Owner participation on Board Committees and Task Forces.
- Hold Workshops for potential Board candidates.
- Recommend a slate of Directors to the Membership at the Annual Meeting or as required.
- Create and distribute a New Directors Guide for new Board Members containing key documents.
- Meet individually with new Directors within three months of election/appointment to discuss personal development and interest as a Board Member.
- Meet with all Directors at least annually, on an individual basis, to discuss continuing individual development as a Board Member.
- Research and present conference or other continuing Board education opportunities at Board Meetings.

CDS CONSULTING CONTRACT

Proposed Additional Hours

We have two hours remaining on our contract with CDS Consulting per the second quarter report (see below). I propose that we approve an additional eight hours at \$120/hour for monthly follow-up calls and assistance in implementing GM Monitoring and we approve an additional retreat day to write our ends policies.



www.cdsconsulti

Here's your quarterly report, let me know if you have any questions.

Ongoing Support:

Hours Utilized (of 15.00) **13** Hours Remaining **2**

Do we have an established pattern of contact? **yes**

On track for balanced use of hours for the year? **Yes**

Quarterly Note

We continued to have great contact, both via phone & email, and as such we will definitely need to budget for additional hours for Q3 & Q4. I believe the work you all did at the retreat will really help move you closer to being a best practice board and I'm looking forward to seeing all the progress and follow-up!

Board Retreat: Saturday June 1, 2013

I thought the retreat was fantastic (and the evals concurred)--we had a huge wishlist of things to address and I was hopeful we'd get through half but you guys were amazing and we tackled them all! We had really great substantive discussions that I believe will really help move your board forward.

In-Person Event Attendance CBL 101: **4** Leadership Training: **5** Strategic Seminar: **6**

Joel Kopischke, CBLD Consultant [CDS Consulting Co-op](#) | [CBLD Program](#)

SELF ASSESSMENT SURVEY AND SUMMARY

See Attachments

GM Monitoring

Now that we have approved our policy manual, we need to begin the process of monitoring our General Manager. The Evaluation and Compensation Committee had a preliminary discussion with our General Manager on the best way to proceed.

Two paths were identified. 1) The board could require the General to begin submitting reports at the September meeting according the annual calendar approved by the board earlier this year. 2) The board could form a GM Monitoring Committee to work with the General Manager to develop a monitoring schedule and to discuss the format of monitoring reports.

To prepare for the discussion, I have included in the board packet a Worksheet to Assist in the Development of the Annual Monitoring Schedule from the CDS Consulting library and an article from the Cooperative Grocer Monitoring the Manager. Prior to the board discussion board members may also want to refer to the Field Guide to Policy Implementation.

Worksheet to assist in the development of an Annual Monitoring Schedule

Feedback welcome: markgoehring@cdsconsulting.coop

Policy	Scheduling questions/criteria	Frequency	Month(s) to monitor
Ends	Monitoring report presented to board in advance of production deadlines needed for Annual Report to members so some info can flow to Annual Report; Also helpful to have this report presented near the end of a board cycle, and at the beginning of 3 months of GM eval process (see GM Eval/GM compensation combined timeline)	Annual (suggest quarterly updates on development of interpretations and operational definitions during first year) Process span 2 months?	
B1 Financial Condition	Meeting following when quarterly data is available and can be plugged into report (need some time for data reflection)	Quarterly	
B2 Planning and Budgeting	2 criteria that might be conflict with each other: <ul style="list-style-type: none"> - 6 months away from when the Ends report is delivered so that directors receive Ends-related info 2x a year - At the end of your planning process, so you can attach top-level plans as demonstration of compliance (usually attach top-level annual and multi-year plan) 	Annual	
B3 Asset Protection	Some data is demonstration of adequate insurance, so one date might follow soon after policy renewals. That way you can use process for assessing adequately insured and report on it soon after you go through the process. Other data is less time-based.	Annual	
B4 Member Rights and Responsibility	Anytime – but if you have a pattern of member surveys you could schedule it after you usually conduct the survey and reflect on the results.	Annual	
B5 Treatment of customers	Anytime – but if you have a pattern of customer surveys you could schedule it after you usually conduct the survey and reflect on the results.	Annual	
B6 Staff treatment and compensation	Anytime – but if you have a pattern of staff surveys you could schedule it after you usually conduct the survey and reflect on the results.	Annual	
B7 Communication to the Board	Helpful to do this at or near the end of a board cycle... so the month or two before a new board is seated.	Annual	
B8 Board Logistical Support	Helpful to do this at or near the end of a board cycle... so the month or two before a new board is seated.	Annual	
B9 GM Succession	Anytime	Annual	

Cooperative Grocer

FOR RETAILERS AND COOPERATORS

CURRENT ISSUE
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There are no comments for this article. From #123, March - April 2006

Monitoring the Manager

An Episode of “The Accountability Zone”

BY MARK GOERING

There is a fifth dimension beyond that which is commonly known to directors and managers. It is a dimension open to interpretation potentially as vast as space and as timeless as infinity. It is the middle ground between too much and too little, between knowing and doing, and it lies between the pit of a directors fears and the summit of her aspirations. This is the dimension of expectations. It is an area we call THE ACCOUNTABILITY ZONE.*

Picture this

An average member of your cooperative, now serving on the board of directors, is at home, pulls on a T- shirt that reads, I am accountable for everything that goes on in my co-op, and heads to the cozy chair in the study for one of the most important readings of the month: the monitoring reports from the general manager. The director adjusts the light and begins reading not for entertainment, not because she wants to manage (or micromanage) a cooperative, and not even to be well-informed about whats going on at the co- op, but rather to determine whether the boards expectations are being met.

Rod chimes in again: Youre traveling through another dimension, a dimension not only of sight and sound but of mind a journey into a wondrous land whose

boundaries are the pre-established, written criteria of the board followed by the irrefutable interpretations of the general manager. With a co-op board meeting coming up in just a few days, this director has just entered The Accountability Zone.

What questions will the director be asking? Will there be interpretations by the general manager? Will they be reasonable? Will they be irrefutable? Will there be data? Will the director be placed in the position of wondering if it is the right data? Just what are the decisions being made tonight, alone, right here in the study, by this co-op director?

In order to truly appreciate these probing questions, its important that we first see things on the broadest level. For example, what exactly is going on here?

It seems that the director is preparing for a board meeting by reading the monitoring reports submitted in advance (excellent!) and in writing (way to go!) by the general manager (our hero!). We are also working under the assumption that the board has articulated in writing its expectations (smart!). In addition, noting the co-op T-shirt statement of accountability, we understand that the director is not just reading the reports for personal fulfillment, but to satisfy her job of being accountable for everything that goes on in the co-opa big job!

Pulling out of our dramatic context, we could summarize it this way:

#1 The board has expectations for the general manager and has written them downalso (but not part of this episode) for itself, the board of directors, and for the cooperative as an organization.

#2 The board has assigned authority for accomplishing these expectations.

#3 The board checks to see if its expectations have been met. Directors are going to need some information in order to know this.

Just how good do these reports need to be?

This director is focusing on the last part of the sequence the checking part. By reviewing the general managers monitoring reports, the director hopes to answer the question: Have the boards expectations been met? We will watch the director answer other, smaller questions, but this is the finale. An answer of Yes here and these typically come one expectation at a time means she is done checking.

Lucky for the director (and the general manager), this board has an annual calendar, spreading a variety of monitoring reports out over a year. Tonights work wont be dealing with all the boards expectations, just the ones that are scheduled to be checked now.

The first thing the director looks for is an acknowledgement that the document is, indeed, a monitoring report for a specific set of expectations. A simple and direct statement such as the following clarifies the purpose of the document:

I hereby present my monitoring report regarding accomplishment of your expectation ___ according to the schedule set out. I certify that the information contained in the report is true. Signed ___, general manager of ___, on this date__.

In fact, this statement is so simple and powerful that when it is read, the lettering on the directors T-shirt (see above) glows: I am accountable for everything that goes on in my co-op.

The report follows a certain pattern that is familiar to the director. Earlier episodes focused on helpful concepts: for example, that expectations come in sizes; that its helpful to work from broad to specific when setting expectations and from specific to broad when reporting on them; that it is essentially human and quite natural for words to be interpreted; that an interpretation just needs to be deemed reasonable and not necessarily a directors favorite; and that it is part of the general managers job to figure out how to demonstrate accomplishment of the boards expectations.

The distinct pattern is the same in all reports and looks something like this:

- . an exact restatement of the boards expectation;
- . the general managers interpretation of the boards expectation;
- . data to determine accomplishment as determined necessary in the general managers interpretation;
- . a statement of compliance or accomplishment;
- . if out of compliance, an explanation, plan, and timeline. **What**

questions will the director be asking? The pattern of the report shapes the questions the director will be asking. Since the director has limited time available to fulfill her role of being accountable for everything going on in the organization, the reports focus solely on written, pre-established criteria as set forth by the board. She knows which expectations this report is responding to and that the information in the report is true. By including the exact language of the boards expectation, the general manager is helping the director stay focused on what the board has said. (The director is, in the background, always asking, Is this the policy we want?not so much as it relates to the monitoring report in hand, for that is about stuff that already happened, but in light of the boards expectations for the future.) The first question: Is the interpretation reasonable? (This is a Yes/No question.) In The Accountability Zone, once the board has assigned authority to fulfill an expectation to the general manager, then everything flows from the managers interpretation of those expectations. In the interpretation, the general manager clearly establishes what data will demonstrate accomplishment of the boards expectation. The director simply wants to know if the interpretation is reasonable. Can she answer Yes based on the written report? Knowing this, the general manager has taken great care to craft the interpretation so that:

.The interpretation makes the board expectation measurable. How does the GM know if an expectation has been accomplished? What data will be used to demonstrate accomplishment of the specific board expectations being reported on? .The interpretation uses third party support whenever possible. Why choose that interpretation, methodology and data? Is there support for this measurement approach?

.It is irrefutable. Will this interpretation stand the tough test of scrutiny by a diverse set of directors concerning what is reasonable? This is particularly meaningful to our director who, like the other directors, wants to determine reasonable accomplishment at home, alone, in the study with a written, compelling monitoring report.

The next question: Is there adequate data to determine compliance/accomplishment? (This is a Yes/No question.) This section of the report directly follows from the interpretation. The interpretation specifies that certain specific and measurable data will determine accomplishment, and here is where the director is presented with that data. Nothing more, nothing less. In The Accountability Zone, the lights flicker if director has to wonder whether it is the right data.

The last question: Does the data demonstrate compliance/accomplishment of the boards expectations? (This is a Yes/No question.) If the interpretation posits that certain specific data qualifies as accomplishment of the boards expectations, and if the data presented meets or exceeds those qualifications, then the case has been made for accomplishment. The general manager has presented a statement of compliance or accomplishment of the boards expectation.

If the data demonstrate that the expectation has not been met, which the general manager is aware of as the author of the report, the manager dutifully includes an explanation and a plan with a timeline that shows when the expectation will be met. Consistent with the whole process, the point of this plan is to forecast accomplishment of the boards expectation by a certain date in the future. And since board expectations are subject to intense scrutiny during this process, its also possible that the general manager might suggest the expectation be revised.

Just what decisions were made, alone, in the study, using a report? Our director concludes her review of the monitoring report by deciding whether she is in agreement with the general managers conclusions regarding a reasonable accomplishment of the boards expectations. (The shirt is glowing.) But she is not really alone in The Accountability Zone: all of the directors begin the next board meeting knowing how they answered these same questions, and they are prepared to act on the report. A group decision followed by documentation in the meeting minutes concludes the accountability loop on the expectations being monitored.

The room glows when, moments later, the directors whip out their nifty co-op caps that boldly state, Our board has time to define the future and begin work on another aspect of accountability.

The Accountability Zone in the co-op landscape

Directors live in the vast middle ground between too much and too little, between knowing and doing. A monitoring process that reports to pre-established expectations, that relies on any reasonable interpretation, and that insists on measurable data to determine accomplishment allows each director to enter The Accountability Zone and emerge with fulfillment of her responsibilities as a director.

Individual directors and managers are not alone in this work, for across the country hundreds of co-op directors enter and emerge from the Accountability Zone on a regular basis. To work with directors system-wide on effectiveness governance, the Cooperative Development Services Leadership Team (Marilyn Scholl, Peg Nolan, Linda Stier, Michael Healy, and I) ran a pilot program with 24 co-ops in the eastern corridor in 2005. This year, the program, now called Cooperative Board Leadership Development (CBLD), includes more than 40 co-ops in the central and eastern corridors.

As part of this program, newly elected directors are encouraged to attend Cooperative Board Leadership 101 (CBL 101) a board orientation class. In 2005, 41 directors from 20 co-ops attended one of these co-op group sessions. In January 2006 alone, 47 directors from 18 co-ops attended CBL 101, and several more sessions are scheduled for later in the year.

Accountability presented itself during the first year of the program as a theme worthy of focus and development. Two Cooperative Accountability Conferences will take place in the east so board leaders and general managers can begin working on the topic together. The first one took place in late January with 16 co-op board leaders and 10 general managers. The second one will be in April in the northeast.

Ends: notes

Its true that the word expectation shows up 40 times in this article. Hmmmm, maybe boards should have expectations and write them down (smile). In this case, the word is nearly always synonymous with the word policy. I do believe that reading policy 40 times would have been more painful than reading about expectations. The point is that having policies is the same as having expectations. You take it from there

See you in the Zone.

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CG -- Monitoring the Manager

**FIDDLEHEADS
BOARD OF DIRECTORS MEETING
September 17, 2013**

6:30-8:30 PM

105 Huntington Street, New London

Time	Topic	Board Action/ Outcome	Leader
6:30- 6:40	<p>Meeting Preamble</p> <p style="text-align: center;"><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></p> <p>Check-in</p>		President
6:40- 6:45	Agenda Review	Make any needed adjustments	Facilitator
6:40— 6:50	Member Comments		Facilitator
6:50- 6:55	Minutes of August 20, 2013 (board packet)	Accept	Secretary
	GM monthly update report and August sales (board packet)	Accept	GM
	Board Reports		
	Conference Report-Sue Phillips and Lisa Cygan	Discuss	
	Board Discussion		
	Owner Participation in Fiddleheads Board Meetings	Review guidelines, suggest changes, and vote	Facilitator

8:15-	Closings		
8:30	9. Agenda preview (Board Packet)	Review	President
	Debrief/ Evaluate Meeting	Evaluate preamble, meeting process	President
	Review Decisions, Tasks, Assignments		Recorder
	Adjourn Meeting		
	Goodbye, Good Job!		

BOARD PACKET:

- 7) Draft August Minutes
- 8) General Manager Report and August sales
- 9)
- 10) Draft Owner Participation in Fiddleheads Board Meetings
- 11) Draft October Agenda

