

TPSS Board of Representatives Meeting

Date: November 24, 2013

Time and Place: 6:00pm, TP Store Community Room

Present: Tanya Whorton (TW), Steve Dubb (SD), Emily Townsend, (ET), Dan Robinson (DR), Bill Rodgers (BR), Erin Gabrielson (EG), Matt Hersh (MH)

Absent: Kahlil Yanes (KY), Ken Firestone (KF)

Others Present: Abdi Guled (AG), Marilyn Berger (MB), Greg Czech, Navneet Rangra (NR), Rachel Hardwick (RH), Robert Anderson (RA)

Minutes submitted by: Solveig Mortensen (SM)

RESOLUTIONS:

- The Board added the item of the Membership Committee Report into the agenda and by consensus, approved it as amended.
- The Board approved the October 27th Open Session Meeting minutes as amended; ET moved, DR seconded, SD and EG abstained, and approved by consensus.
- The Board certified the 2013 Board of Representatives election results to be for the candidates Rachel Hardwick, Emily Townsend, and Nelson Graves, each for three year terms; the Nominations Committee moved, DR seconded, and approved by consensus.
- The Board adopted the proposed amendments to the G-6 Policy; SD moved, EG seconded, and approved by consensus. (APPENDIX A)
- The Board adopted the proposed amendments to the L-3 Policy; ET moved, SD seconded, and approved by consensus. (APPENDIX B)

GM Report: AG reported that the Co-op has contacted NCGA about preliminary expansion work and noted that Peg Nolan of NCGA can give guidance on expansion projects. The Board recounted how an update on the status of the member-owners list was provided at the October '13 meeting and discussed asking for regular updates on this endeavor.

Financial Report/FAC Report: NR reported on the Co-op's financial outcomes for the months of July through September 2013. He commented that July and August were good while September was not, due to increases in expenses and identified customer costs and the audit as examples of those increases.

NR also spoke about the adjusting entries provided by the auditor, which addressed accrued wages and the PTO that had not been included in the financial statements previously done on the cash basis. NR relayed that to be more accurate; now, the statements will include accrued wages and PTO on a monthly basis.

NR and DR relayed that the Co-op's auditor advised that the Co-op should keep the Silver Spring stores' financial books open while the SS store continues to have an active balance sheet and that the Co-op could keep the two store's financial books separate for the remainder of the fiscal year.

DR gave an update on the matter of reporting financial statements to the Board. He explained that the FAC is addressing the timing of the reports by more closely aligning itself with the Finance Manager's reporting time table and thus, moving the FAC's regular meeting time to the first Thursday of the month. This, he said, may give the FAC more time to review the reports and get them to the Board.

DR reported that the FAC had also talked about the involvement of one of the current Board reps. with the start-up effort for a new co-op in Silver Spring and shared that one FAC member planned to be present and available for education at this Silver Spring start-up group's meeting.

DR explained that the FAC is asking for a recommendation on adding money to the expansion fund. Board reps. recounted how the Co-op will need to borrow money and raise member capital for the fund, eventually; but, nonetheless, the expansion fund should be able to cover pre-development costs. The Board advised management to consult with Peg Nolan for direction on the fund at this stage.

Report on Board Election: EG shared that at the close of the Board election the Nominations Committee (NC) and volunteer group counted the votes. She explained that, ultimately, they used the tallying method the Outreach Manager employs for elections and that the counting went well. She shared that there were 146 total counted votes and 108 votes cast on-line and of those 8 were disqualified. She also stated that out of the 50 votes cast at the two stores 4 were disqualified. The Board voted to certify the election and Rachel Hardwick, Emily Townsend, and Nelson Graves were seated for the next Board.

Open Member Forum: RA explained that he was speaking as a Co-op member, FAC member, and former Chair of the Ethics Commission of Takoma Park. He noted an email he sent, which explained the issue of a current Board rep. initiating a new co-op at SS and his belief that this action violates the conflict of interest statement. He emphasized that his comments were not personal, and expressed his understanding that the Board has a fiduciary responsibility to follow its by-laws re: this matter. He remarked that if this start-up co-op gains new members, their patronage will come at the Co-op's expense--reduced payouts through reduced profits—and called on the involved Board rep. to either cease his involvement with this start-up or step down.

RN described the occasion he attended a Board meeting and spoke about alternative strategies for the SS store and how with its closure he feels no one paid attention to his ideas or considered the employees who would lose their jobs. He remarked that while the TP store has a greater community than the SS store did, he believes if the Co-op follows a similar strategy, the TP store is put at risk as well. He stated that he had requested a financial report for the Co-op and did not receive a reply. The Board apologized for the communication issues and reiterated the way to make a request to examine the Co-op's financial statements.

Proposed Draft of Board Policy G-6: ET presented a modified version of the G-6 Policy. She explained that after review she determined the need for only relatively minor changes.

Proposed draft Policy L-3: SD described how the proposed version of the L-3 Policy replaces the existing L-3 Policy and how it should be a more simplified version.

CBLD renewal: The Board discussed how they have used CBLD’s consulting services, if they still want and/or need those services, and whether consultant proximity should be a deciding factor. They also identified various suitable consultants-including, alternative non-CBLD consultants.

The Board reflected on how their experience with CBLD consultation: CBLD seems to focus on helping the Board identify its problems and issues rather than give explicit direction on how to solve problems. The Board noted that CBLD has been helpful overall. The Board determined the choices in consultants it wished to consider and pursue.

Membership Committee: SD shared that ET will be the interim Membership Committee (MC) Chair and that he emailed the most recent MC meeting notes. He explained that the MC formally recommends that the Membership meetings stay in the (Board) governance budget.

Meeting adjourned 8:20pm

Term 2013:

Rep.: Dec. Jan. Feb. Mar. Apr. May Jun Jul Aug Sep Oct. Nov.

Dubb	*	*	*	*	*	*		*	*	*		*
Firestone	*	*	*	*	*	*	*	*	*	*	*	*
Gabrielson	*	*		*	*	*		*	*	*		*
Hersh		*	*	*		*	*	*	*	*	*	*
Robinson	*	*			*	*	*	*	*	*	*	*
Rodgers	*	*	*	*	*	*	*	*	*	*	*	*
Townsend	*		*	*	*	*	*	*	*	*	*	*
Whorton	*	*	*	*	*	*	*	*	*	*	*	*
Yanes	*	*	*	*	*	*	*	*	*		*	

APPENDIX A:

Policy Type: Governance Process
Policy Title: G6 – Directors’ Code of Conduct
Adopted: July 2002
Last Revised: [October 2013](#)

The Board commits itself and its representatives to ethical and businesslike conduct, including proper use of authority and appropriate decorum when acting as representatives. Accordingly:

- G6.1. Directors have the following responsibilities:
 - G6.1.1 Represent unconflicted loyalty to the interests of the ownership as a whole.
 - G6.1.2 Be aware of and follow the organization's bylaws, including avoidance of conflict of interest.
 - G6.1.3 Be aware of and follow the organization's policies.
 - G6.1.4 Perform Board duties in good faith, with honesty and personal integrity, employing such care as an ordinarily prudent person in a like position would use under similar circumstances.
 - G6.1.5 Openly and impartially consider all issues and matters, researching issues and seeking additional expertise where needed.
 - G6.1.6 Prepare for and attend all Board meetings or notify the Board president when an absence is unavoidable.
- G6.2. Board representatives do not have individual authority over the organization except as explicitly set forth in Board policies or the bylaws.
 - G6.2.1 Individual Board representatives’ interactions with the General Manager or staff recognize the lack of authority vested in individual directors except when explicitly Board-authorized.
 - G6.2.2 Individual Board representatives’ interactions with the public, press, owners, or other entities recognize the same limitation as stated with reference to the GM or staff in G6.2.1 above, and the inability of any Board representative to speak for the Board except to repeat explicitly stated Board decisions.
 - G6.2.3 Board representatives will give no consequence or voice to individual judgments of General Manager or staff performance.
- G6.3. Board representatives will respect the confidentiality appropriate to issues of a sensitive nature, while serving on the Board and after they retire, resign, or are removed from the Board. Generally speaking, personnel, real estate, marketing, legal, strategic planning, and financial matters will be considered sensitive issues subject to directors' good faith and discretion unless or until made specifically clear by Board action.
- G6.4 Board representatives shall recognize that they project an image as a representative of the organization and shall conduct themselves in a professional manner that fosters confidence and reflects positively on the organization, its owners, and its staff.
- G 6.5 All representatives will respect the rights of others – representatives, staff, and members – to communicate their ideas free from interruption and without intimidation.

G 6.6 Violation of bylaws or Board policies may result in removal of a Board representative in accordance with bylaw 6.2.L

MONITORING: This policy will be monitored on a regular basis, at least once every three years, through a responsible process of Board self-evaluation.

APPENDIX B:

Executive Limitation L3 – Compensation and Benefits July 2002 December 2006

To ensure fair compensation and benefits at TPSS Co-op, the Co-op, when entering into an employment contract with the General Manager, will ensure that the Contract contains the following provisions:

L3.1 General Manager compensation or benefits may only change in accordance with contract terms or with the express consent of the Board.

L3.2 The General Manager will neither promise nor imply permanent or guaranteed employment to any TPSS employee.

L3.3 The General Manager must obtain Board approval before entering the Co-op into financial obligations that last more than a year.

L3.4. General Manager pension benefits will be on par with those of comparable key employees. Creating unfunded pension liabilities will not be permitted.

MONITORING: This policy will be monitored annually by Board review of the contract document to ensure compliance with the above provisions.