



**Policies & Procedures Committee Meeting Minutes
August 16, 2017 Ten Pin Building Conference Room**

PRESENT

Board: Ed Smith, Colin Fiske, Leah Stamper, Mary Ella Anderson

Staff: Emily Walter

Members: John Lucas

1. Welcome/ Introductions/Agenda Review and Additions

Meeting commenced 4:02 pm. Colin Fiske welcomed everyone.

2. Approval of Minutes

July 19, 2017 minutes were approved by consensus.

3. Follow up from the July Board Meeting

Colin reported that the board approved guidelines for board communication with staff and approved Colin to speak with the attorney about PPC recommendations that were made in July.

4. Review input from the attorney on proposed changes to Bylaw Section 6.01.

The group reviewed the attorney's memo dated August 11 (Attachment A) and discussed proposed changes to section 6.01. Colin reported that the attorney did not see any legal problem with the proposed changes and does not believe the changes need to be voted on by members. California law details officer duties and powers, thus the bylaws aren't necessarily the place to have officer duty details.

Recommendations to the board: Adopt the bylaws changes as previously proposed in July (Attachment B).
Approved by consensus.

5. Review Board Policy Manual (BPM) Section 5D - Community Representation, and 5F - Internal Communication.

The group reviewed track changes on the large screen. Clarification changes were made to Section 5D. The group reviewed and updated section 5F to reflect the newly adopted guidelines for board members communicating with staff that were approved at the August board meeting. Ed noted that it is one thing being a board member and speaking as such, versus speaking on behalf of the Co-op. The group discussed employee confidentiality following dialogue with an employee. The group added a line about employee confidentiality if the employee desires it.

Recommendations to the board: Adopt changes to BPM 5.D and BPM 5.F(Attachment C).
Approved by consensus.

6. Review BPM Section 5.G – Board Elections

- Some of the bullet points are redundant, some conflict with the NC charter, and some are out of date.
- Ed likes the redundancy about election but would like to make the charter consistent.
- The group added a line "In the case of any conflicts, the charter governs."
- The group copy and pasted the general election write-in policy and added it to the employee election policy and changed wording to reflect current practices.

Recommendations to the board: Adopt changes to BPM Section 5.G (Attachment C).
Approved by consensus.

7. Review Hotlist Items:

BPM Section 12.A – Loss Control

- The group reviewed the section to ensure it is up to date, consistent, and sensible.
- Mary Ella would like to see a complete insurance review on an annual basis.
- GM to include insurance coverage in the annual business plan.
- The group reviewed the section on theft prevention and removed all operational procedures.

<p>Recommendations to the board: Adopt changes to BPM Section 12.A (Attachment C). Approved by consensus.</p>
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8. Agenda Items for Next meeting:

- Hotlist
- Membership roles policy

9. Next meeting: September 20 at 4pm

Meeting adjourned 5:35pm by consensus.

Minutes by Emily Walter

Attachment B

PPC Recommended Changes to Bylaws Section 6.01

Section 6.01. **Titles.** The officers of the Corporation shall be a President, Vice President, Secretary, Treasurer, and any other officers with such titles and duties as determined by the Board of Directors and as may be necessary to enable it to sign instruments. The President is the Chief Executive Officer of the Corporation. Any number of offices may be held by the same person. The President shall be chosen from among the Directors elected by the membership of the Corporation.

(a) **The President.** The president shall be the chief executive officer of the Corporation and shall, subject to the direction of the Board of Directors, ~~have general supervision, direction and control of the business and affairs of the Corporation. He or she shall preside at all meetings of the members and Directors, and be an ex-officio member of all the standing committees, except where such membership would constitute a conflict of interest. Except as otherwise expressly provided by law, or by these Bylaws, he or she, in the name of the Corporation, shall execute such deeds, mortgages, bonds, contracts, checks, or other instruments, and shall have the general powers and duties of management usually vested in the office of president of a corporation, and shall have such other powers and duties as may from time to time be prescribed by the Board of Directors or these Bylaws.~~ The President shall preside at all meetings of the members and Directors.

(b) **Any Vice President.** In the absence or disability of the president, or in the event of the President's inability or refusal to act, the vice president shall perform all the duties of the president and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. The vice president shall have such other powers and perform such other duties as may from time to time be prescribed by the Board of Directors or these Bylaws.

(c) **The Secretary.** The secretary's ~~duties shall include but not necessarily be limited to the following:~~

- ~~a. Keeping, or causing to be kept, at the principal executive office of the Corporation, a book of minutes of all meetings of Directors, and, if applicable, meetings of committees of Directors and of members. The minutes shall state the time and place of holding of all meetings; whether regular or special, and if special, how called or authorized; the notice thereof given or the waivers of notice received; the names of those present at Directors' meetings; and an account of the proceedings thereof.~~
- ~~b. Keeping, or causing to be kept, at the principal executive office of the Corporation, the original or a copy of the Bylaws of the Corporation, as amended or otherwise altered to date, certified by him or her.~~
- ~~c. Giving, or causing to be given, notice of all meetings of Directors required to be given by law or by the provisions of these Bylaws.~~
- ~~d. Having charge of the records and the seal of the Corporation and have such other powers and perform such other duties as may from time to time be prescribed by the Board or these Bylaws.~~
- ~~e. Exhibiting at all reasonable times to any Director of the Corporation, on request therefore, the Bylaws, the membership book if any, and the minutes of the proceedings of the Directors of the Corporation.~~
- ~~f. In general, performing~~ perform all duties incident to the office of Secretary and such other duties as may be required by law, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors. Such duties shall include, but not necessarily be limited to, keeping or causing to be kept in good order the records of the Corporation.

(d) **The Treasurer.** The Treasurer's ~~duties shall include but not necessarily be limited to the following:~~

- ~~a. Keeping and maintaining, or causing to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation.~~
- ~~b. Rendering to the president and Directors, whenever they request it, an account of the financial condition of the Corporation.~~
- ~~c. Exhibiting at all reasonable times to any Director of the Corporation, the books of account and financial records on request therefore.~~
- ~~d. Preparing, or causing to be prepared, and certifying or cause to be certified, the financial statements to be included in any required reports.~~

~~e. Having~~ ~~such all other~~ powers and perform ~~all such other~~ duties incident to the office of Treasurer and such other duties as may be required by law, or which may from time to time be prescribed by the Board of Directors or these Bylaws.

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PPC Proposed Changes to Board Policy Manual

Section 5

D. Community Representation

As a means of adhering to Cooperative Principal No. 7, Concern for Community, Board members shall stay abreast of local issues and activities by attending other local meetings or events. Staff will ~~forward email notices to notify~~ the Board of ~~newly discovered relevant~~ meetings/events throughout the year with as much lead time as possible. ~~T~~ ~~which~~ the Board may designate official Co-op Representation ~~mid-year to events.~~

F. Internal Communications

This section deals with the issue of employee feedback to the Board. There will be times when the Board is made aware of feedback, questions, and/or concerns regarding the store's operations from employees of the organization. Information received in this way is often important in enabling Board members to fulfill their democratic and fiduciary duties.

- ~~• Board Directors are encouraged to address the concerns with the General Manager.~~
- At the time when a concern is first voiced to a Board Director, it is important for the Director to ask the employee whether they have addressed the issue with their immediate supervisor through internal channels established by Co-op management and if they have not done so, to encourage them to do so.
- ~~The employee concern is to be first addressed by his/her supervisor, and if not able to be resolved at that level, the Supervisor is responsible for taking the issue to their next level of authority and so on, right up to the General Manager through the operational chain of command.~~
- ~~The Director will advise the employee who is voicing the concern, if the issue does not get resolved through the operational chain of command, then the issue can indeed be taken on by the Director to the General Manager.~~
- Directors are encouraged to address significant concerns with the General Manager and/or the Board, particularly if it appears that those concerns are not being adequately addressed through internal channels.
- If the issue is brought to the General Manager by a Director, the Director will receive a response from the General Manager on the issue.
- ~~Based upon the response from the General Manager to the Director, t~~ The Director may determine the issue deserves a broader discussion involving the rest of the Board. The Director may take action to include the item on a future Board agenda.
- Directors shall respect the confidentiality of privileged communications from employees, particularly communication regarding personnel issues.

G. Board Elections (Nominating Committee)

Co-op Board Elections are managed by the Co-op Board Nominating Committee (NC). The Nominating Committee has overall responsibility for Co-op elections. The Nominating Committee shall not include any Candidates of a current election. In the case of any conflict between this Section and the Nominating Committee Charter, the Charter governs.

Election of Employee Directors (Section 5)

- A total of two (2) Employee Directors are elected to serve on the Co-op Board. (Section 5.01)
- All Employee Director Candidates must be employees of the Co-op and current Members of the Co-op. (Section 5.02)
- Election of Employee Director Candidates by Member co-workers takes place between one (1) and two (2) months prior to the General Election.

- Employee Director Candidates who are elected by Member co-workers must have their election affirmed (yes) or rejected (no) by the General Membership on the General Election ballot. (Section 5.03b)
- Co-op Employees who are directly supervised by the General Manager are NOT eligible to run for an Employee Director vacancy. (Section 5.02)

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- The General Manager is not eligible to run for an Employee Director vacancy. (Section 5.02)
- Write in Candidates are permitted. A line for “write in” shall be placed on the Employee Election ballot for each open Employee Director seat and counted by the NC.
- Any write in candidate must be a current employee and a current member-owner of the North Coast Co-op and agree to candidate requirements. If a write-in candidate is elected, they are required to return requested paperwork before being placed on the General Election ballot.
- Coordination of the Employee Director election is assisted by members of the NC who are Co-op Staff, the Board Assistant, and the current Employee Directors who are not actively running for re-election.
- Employee voting eligibility is verified by use of a Non-Member employee list. (Section 5.03a)
- Only one vote per Membership is permitted regardless of if employees share a Membership. (Section 4.13a)
- The last day of the Employee Election is the date used (date of record) to validate an employee membership ballot for the election. An employee membership ballot is counted only if the date of record is current and if the employee is still employed by the Co-op on the day that ballots are counted.
- The NC Chair and three (3) NC members will count ballots for the Employee election.
- If NC Chair is unavailable to count ballots, Board Secretary will substitute and report results to NC Chair.
- The NC Chair shall ensure the names of the elected Employee Director Candidates are placed on the General Election ballot for ratification by General Membership.
- The NC Chair shall ensure Employee Director Candidates are given equal representation in all publicity material, in their various formats, alongside General Election Candidates throughout the General Election period. (Section 5.03c)
- Elected Employee Directors are seated at the same time as other newly elected Directors.

General Election Publicity

- The NC coordinates a “Special Election Section” with the Co-op Newsletter Editor and the Co-op Website Manager to include publication of a ballot, all Candidate statements (including those of elected Employee Director Candidates), text of referendums, and a website voting link if possible.
- Examples of more publicizing are, but not limited to, store posters, written articles and use of other mass media.
- Informational articles will be published in preceding editions of the Co-op Newsletter.
- The end date of election period is clearly stated on all Election material. (Section 4.18)
- The NC prepares the official ballot and voting instructions and keeps it current and revised.
- The NC conducts Candidate forums and facilitates ~~any video statements~~ other election publicity.

Section 12 - Other

A. Loss Control

Insurance

Appropriate levels of insurance shall be maintained for business liability including property, fire, vehicle and other property loss, worker’s compensation, and errors and omissions on the part of Management and the Board. The Board shall review the Co-op’s insurance coverages from time to time to ensure adequate coverage and affordable rates.

- ~~Insurance levels shall meet all legal requirements and shall strive to cover the Co-op as fully as reasonably possible and affordable.~~
- ~~Management is responsible for maintaining adequate insurance for the Co-op to protect property and assets from loss.~~

~~The feasibility of obtaining earthquake insurance will be regularly assessed by Management and presented to the Board for review and possible direction.~~

Employee and Customer Safety

- ~~• Management shall maintain regular employee safety training procedures.~~
- ~~Management shall conduct and keep records of regular store safety inspections.~~

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Theft Prevention

~~Loss of Shopping Privileges = Revocation~~

~~Loss of Membership = Expulsion~~

- Management shall put appropriate theft prevention programs in place to prevent the loss of assets from theft.
- ~~• The Co-op maintains a Zero Tolerance Policy regarding theft.~~
- ~~• Theft prevention is achieved through various methods including but not limited to appropriately training staff, and use of independent in-store contractors.~~
- ~~• Shoppers stopped for theft at the Co-op face prosecution by police, civil restitution fines, or both.~~
- All individuals who are suspected of theft shall be approached in a civil manner and treated with courtesy as much as the situation allows.
- If individuals are uncooperative, belligerent or violent, the health and safety of all concerned is of paramount importance.
- ~~• Employee training includes a process for contacting local authorities.~~
- Shoppers accused of theft at the Co-op are subject to immediate revocation of their shopping privileges at discretion of the General Manager.
- ~~• Employees found stealing from the Co-op, whether such theft is property or cash, face immediate termination and are subject to prosecution under the law.~~
- ~~• All Members found stealing from the Co-op face permanent expulsion by the Board.~~
- ~~• If expulsion occurs, the name of the expelled Member is stricken from the Membership register and all of their rights cease pursuant to bylaws. (Section 3.03)~~
- ~~• If a shopper believes they have been stopped in error, they may appeal the disciplinary action first to the Store Manager, then the General Manager.~~
- ~~• The Store Manager has the authority to reverse a civil restitution fine and/or the revocation of shopping privileges at their discretion within seven (7) days of the incident.~~
- ~~• The General Manager has authority to revoke or reinstate shopping privileges up to one full year from date of incident.~~
- ~~• A shopper whose privileges have been revoked may request reinstatement in writing to the General Manager after six (6), nine (9), and twelve (12) months of the incident.~~
- A shopper whose privileges have been revoked ~~longer than one (1) year~~ may request reinstatement, in writing to the Board, after one year. The Board may grant such requests at its discretion.
- ~~• The Co-op Board, upon recommendation of the General Manager and Store Manager, will determine the reinstatement of any shopper banned more than one (1) year.~~
- ~~• The Co-op Board has the authority to vote upon the permanent expulsion of a member, by a two-thirds (2/3) vote. (Section 3.03)~~
- ~~• A member who has been terminated through expulsion may request to the Board in writing, after five (5) years, a reinstatement of member privileges.~~