

OKLAHOMA FOOD COOPERATIVE

BOARD MEETING

Operations Center

September 5, 2010

Board members attending - Deedra Hovey, Ann Young, Dawn Mahiya, Kara Joy McKee, Robert Waldrop, Paulette Rink, Greg Parker, Chelsey Simpson, Leah Afill, April Harrington, and Walter Kelley.

Also attending - Don, Jan, and Steve Lake (Southern Plains Pastures) and Adam Price.

Dawn convened the meeting at 4:40 p.m. The agenda for the meeting was approved unanimously.

The following items were placed on the consent docket:

1. Membership report, including acceptance of new members and issuance of stock.
2. Authorization of money to work on the website.
3. Approval of minutes for the August meeting.
4. Authorization of the activation of the Audit Committee and a call for volunteers.
5. Authorization of errors and omissions insurance for officers and directors.
6. Appointment of a committee consisting of Dawn, Leah, Chelsey, and Bob to conduct a six month review of the GOM.

Motion. (Robert, Ann) **The Board accepts the Consent Docket.**

The motion passed unanimously.

Producer comments

The representatives of Southern Plains Pastures distributed a prepared statement that presented some ideas for offering on-farm processed poultry through the Co-op. Robert said that the Standards Committee hopes to submit standards for such products to the Board at the October Board meeting. The consensus of the Board was that Southern Plains Pastures could sell on-farm processed poultry during the September delivery, provided each customer who orders these products is contacted by phone.

Financial report

April distributed Profit & Loss statements for July, which included a comparison with the data from July, 2009, and a Balance Sheet with data through the month of July, 2010.

There was a net loss for July of over \$2000, partly due to an increase in work credits and a write off of bad debt. She said that a person is working on past due accounts and bad debts in an effort to determine where the problems are. She is having trouble getting Midfirst Bank to close our account. She is also working on 2005, 2006 taxes; these are being delayed by a lack of data for 2005. Once these are completed, the statements for 2007, 2008 can be submitted as well.

Vice President for Customers report

Chelsey and Kara Joy met with Ben last week. They expect he will soon have some draft ideas for us for the website.

Chelsey is trying to organize our communications with the membership. She wants to stagger the emails going out so they are spread out over each month and at the same time to make it easier to monitor the content. It is important to apply editing methods, insure readability, and include images. We should use a newsletter/magazine format so that members can easily choose what they want to read. Robert added that we should get back to telling the Co-op story.

Chelsey got plenty of comments on the producer questionnaire; all from customers were positive, a few producers were opposed to such a questionnaire. She made some revisions based on the comments. She believes that this process will improve transparency and make shopping easier for customers. Paulette suggested that we start with a piece of the questionnaire to see how it goes. Greg said we could send it out in pdf form using our new document management system. A consensus emerged that we would start out with just the first section that covers beef, buffalo, lamb, and goats.

With these and other changes, a motion to adopt passed with Deedra abstaining. See Appendix 1 for a statement of the motion.

Producer report

Paulette reported that Hilltop Natural Produce LLC had satisfied all the requirements to sell through the Co-op, except for Board approval. The following motion was approved unanimously:

Motion (Paulette, Robert) The Board approves Hilltop Natural Produce to sell organic fruits and vegetables through the Co-op.

The Board went into executive session from 6:10 until 6:30 to discuss problem producers. After the session, there was a brief discussion of acquiring a truck with refrigeration capability for use during delivery day.

Raising the Co-op share cost

Although our current financial situation is such that we could raise the cost of a membership share, April said that uncertainty about our tax liability makes it prudent to delay this discussion until next year.

Drafts of written procedures

Kara Joy is working on the basics, and will ask the relevant individual for the information for his or her job. This information will go into a Procedure Manual.

GOM report

Kara Joy sent to the Board before the meeting a detailed organizational chart, showing Co-op structure and work division. She said we still need to decide who reports to whom about the various tasks. She then presented a slide show, illustrating all the improvements that have been made at the Operations Center. She wants to track who is coming in and out of the center and plans to have an alarm code for each person on the list of people who need access. We need more money in the low income membership fund. Perhaps she will organize a special event where people who work can donate their work credits to this fund.

There was considerable agreement that a refrigerated trailer would be very useful to have at the center. The next two motions passed unanimously.

Motion (Robert, April) Let the rules be suspended to consider a motion on renting a refrigerated trailer.

Motion (Robert, Deedra) The Board authorizes up to \$500 to rent a refrigerated trailer for a month.

CIO report

Greg has launched the on-line membership application. He wants to schedule a training day for those who will be using document management on the new system. The session will be the day of the next Board meeting: October 3 at 3 p.m. Dawn will send announcements to those who need to attend. Greg will do the producer applications next. With the improvements in the financial system, the financial team will consider the possibility of going to two delivery days per month.

Organization of management

Robert asked if it is time to consider redrawing the management boundaries, in particular taking the delivery day management out of the job description of the GOM and letting the floor manager report to the Board? Kara Joy said that as more jobs are filled, there is less that she has to do. April believes that floor manager should be a

full time position equal to the other management positions and should report directly to the Board. It is important to have clear chains of command. Paulette also thinks that floor manager should be a senior level position. The following three motions passed unanimously:

Motion (Robert, April) The delivery day manager is elevated to a senior level management position that will report directly to the Board.

Motion (Robert, April) The rules are suspended to allow the consideration of a motion about the GOM.

Motion (April, Robert) The GOM will report to the President of the Co-op.

The Board meeting adjourned at 8:15 p.m.

Appendix 1

Motion (Chelsey, Kara Joy)

I make a motion that each producer who sells beef, buffalo, lamb or goats raised for meat or dairy be asked to answer a set of yes/no questions related to the products they are selling. If they raise and sell multiple animals through the co-op (cattle and goats; lamb and buffalo) and their practices are not uniform for all animals, they should fill out questions for each animal type. The questions will be part of the initial producer application process for new producers and will be verified by the inspector to the best of his or her ability. Members of the producer inspection team will help the VP of Producers verify the answers given by existing producers, and the questions will become part of the re-inspection process and reviewed or open to editing during future inspections. Producers should update their answers at any point that their practices significantly change.

The data from these questions/answers will be used to create an easy comparison chart on the website that will help producers highlight their best practices and help consumers make informed decisions. Producers who feel their products do not apply to the questions, may answer NA. Producers can choose not to participate. Producers and customers may request that additional questions be added, but questions must be approved by a majority vote of the board, and producers will not be asked to answer new questions more than once a year. This rule should be added to the policy manual.

Text to preface the chart:

One of the co-op's guiding missions is to make it easier for consumers to know their farmer and know where their food comes from. This is why we encourage all of our producers to tell us their "story" and share as much detailed information as possible about their farms and products. The purpose of the following chart is to make the shopping experience easier by organizing key information about producer practices. This chart does NOT replace product descriptions and we still recommend that you read about producers and contact them for clarification of any issues that are important to you. Raising food is a complicated business. This chart cannot explain the intricacies of pest management or the diverse tools a grower might use on different crops.

Cattle, buffalo, lamb and goats raised for meat or dairy:

(yes/no/NA)

Certified organic

Certified naturally grown

100 percent grass-fed

Grass-fed, grain finished *

Grain supplemented as young animals, grass finished

Animals are pastured on grass but given supplemental feed

When given feed, feed is organic

When given feed, feed is a commercial formula

When given feed, feed is a custom mix

Coccidia stats are routinely added to feed

Antibiotics are routinely added to feed

Animals are given supplemental hormones

Herbicides/pesticides are used on grazing areas

Chemical fertilizers are used on grazing areas

Animals are routinely vaccinated

Animals are selectively vaccinated

Animals are routinely wormed

Animals are selectively wormed

When wormer is used, is it herbal-based (non-chemical)

All animals are born on premises

Some animals are heritage breeds

All animals are heritage breeds

*Grain is not synonymous with corn and can include oats, barley and wheat. Read product information or ask producers for more information about their feeding practices.