

Board of Directors Meeting
Monday, June 15, 2020 via Zoom
Facilitator: Ally Young | Minutes: Gretchen Johnson

Directors: Peter Frank, Tatum Evans, Mike Strode, Ally Young, Celeste Levitz-Jones, Rebecca Williams, Victoria Birkbeck. By phone: Don Washington, Brian Perea. **Owners:** l'Talia McCarthy, Nancy McClelland, Gretchen Johnson, Zina Murray, Jessico Dickerson, Johanna Vargas, Mark Hubert, Marelyn Garcia. **Guests:** Elizabeth Heins-Van der Weide, Lis Harvey.

___ EXECUTIVE SESSION ___

5:30 Audit, FY2018-19 (Elizabeth Heins-Van der Weide, Wegner CPAs)

Elizabeth briefed directors on the audit findings for our prior fiscal year. Wegner is providing a qualified opinion related to inventory, an unusual situation, and will be joining staff on site for this year's count on 6/30. Finance committee will review and direct questions to Elizabeth and Nancy. The full board will review documents shared today and vote next month to file the audit.

___ REGULAR SESSION ___

6:08 Opening

Overview of meeting format, director introductions.

6:12 Meeting Agenda

- IM & NM move to shorten BI report by 10min and use that time to talk about budgeting.
- CLJ moves to remove NLRB case settlement from Approvals section, not yet settled.
- CLJ moves to approve agenda with above amendments, all in favor.

6:14 Approvals

- CLJ moves to appoint Victoria Birkbeck for Sendy Soto's vacated seat and Don Washington for George Langford's vacated seat. All in favor, with VB and DW abstaining.
- PF moves to file May meeting minutes. All in favor, with VB and DW abstaining. Note: TE inquires about including zoom chat transcript in minutes. RW proposes discussion about virtual protocol next month during C4 monitoring.
- MS moves to file mid-month meeting record. All in favor, with VB and DW abstaining.
- PF moves to file GMED committee report. All in favor, with VB and DW abstaining.
- TE moves to accept Finance Committee report. All in favor, with VB and DW abstaining.
- PF moves to approve Funding Circle loan agreement. All in favor.

6:30 **Owner Comments** (Mike)

- Zina Murray: Recommends going through bank for loan forgiveness instead of SBA. Inquired about the current amount of outstanding owner loans and plan to repay them.
- Marelyn Garcia: Shout-out to Ally for organizing artists for mural project.

PF responds: currently using cash on hand metric to determine whether we are ready to repay. If we have 14 days of cash on hand, repayments may begin within the next month.

NM responds: \$48,000 in outstanding owner loans.

6:37 **Diversity, Equity, Inclusion** (Celeste)

- CLJ opens discussion around the co-op committing to become an anti-racist organization. Effort would be focused on training store leadership to work through an anti-oppression lens, engaging in workshops and activities to deeply change culture. Would like to extend this work to ownership and wider community.
- RW notes her enthusiasm; inquired whether the work will extend to examining policy.
- PF is supportive, suggests using the board training budget to cover some of the cost of the full package outlined in LaDonn's proposal.
- TE is supportive, asks about individual coaching for management.
- AY follows up on release of a board statement. Consensus is to wait until work has begun and we're able to share concrete plans and commitments.
- Noted that accepting the Columinate proposal is a GM decision; board wants to publicly affirm that they support this action and will participate. AY expresses gratitude to IM for her voice and leadership in this moment.

7:04 **Operations Update** (l'Talia)

- Starting next month, IM and NM will begin reporting on previous months to view trends.
- Introduced round-up program at register; IM will work with marketing manager to decide on whether to run concurrently with the Pickle Nickel program if/when it returns.
- Discussion of repaying PPP loan/whether it will be forgiven. NM said usage period has been extended, not worried about using it all.
- PF moves to accept Operations Report; all in favor.

7:17 **Monitoring: BI, Financial Condition Q3**

- NM submits correction section BI.4: budgeted liabilities = \$3,825,182, which means we are now in compliance on all four measures.
- BI.2 and BI.3: Discussion of determining cash on hand metric and when we will be in compliance. Once PPP loan comes in, could be in compliance next quarter.
- Proposal made for IM to report back on metrics in Q4. All in favor.
- BI.12: Discussion around consistency in reporting. RW asked about being out of compliance three quarters in a row; will it take 3 months to implement recommendations of audit?
- IM will report on progress on BI.12 as part of July operations report.
- PF moves to accept BI report in current state with amendments. All in favor.

7:42 **Budgeting** (l'Talia)

- IM discussed budget with NCG; recommendation is to update quarterly on a rolling basis.
- RW proposes to couple B1 and B2 and report on them quarterly moving forward. All in favor.

___ EXECUTIVE SESSION ___

8:00 **Monitoring: C5, Directors' Code of Conduct**

Thane led a discussion on C5.2, conflicts of interest.

RW requested review of C5.2(c), a later addition to the policy.

TE requested review of C5.1 for pronouns.

8:xx **Monitoring: C8, Governance Investment**

Moved online in the interest of time. PF will begin email discussion re: board budget.

8:xx **Board calendar review** (Ally)

Adjusted monitoring schedule for July: B2, B3 + C4, D1.

9:05 **Meeting assessment:** generally agreed that it ran too long. Adjourned.