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>> Ladies and gentlemen welcome to the cooperative board training one-on-one webinar. Today's webinar is being recorded. Tuesday, October 11, 2016. Thank you. I would now like to turn the webinar over to Margaret Bau . Please go ahead.

>> Hello, everyone. Happy? Month. The topic of the webinar is congratulations. You have been elected to the co-op board to govern the cooperative business. What you need to know?

>> That is a picture of me. I have given this particular presentation over the years probably over the last 18 years to new startup co-ops as well as co-ops that are well over 100 years old. This is just a sick information that anyone can use. My apologies to my nephew Brian for coming along for the ride in that photo.

>> So the majority of this information is pulled from research that has been done by Anne Reynolds at the University of Wisconsin Center for Cooperative. Along with work that Dr. James Baarda has provided. He has been retired for a number of years but his information is good. If you're interested in more information about board training and governance practices and Reynolds at the University of Wisconsin Center for cooperatives has done ongoing research and would be helpful to look at their website to continue to evolve this type of work.

>> The slides I will present often times as a co-op developer when I am working with a group, I will take the slides and I will make copies of them. One full slide to each page. And then I will assemble it for the co-op board into a 1 inch binder. In that binder I will include the entire presentation, so people can take notes in the margins. I purposely kept the graphics very simple so it is easy to run off either in black and white or in color. In that 1 inch binder I will also include copies of the articles of incorporation, the bylaws for the particular cooperative, along with state statutes for whatever state they are incorporated in. I will also include a statement of conflict of interest that the board will have created and perhaps signed among themselves. This presentation is the type of presentation I would give to a group. Often times we will have one or two hours during the first hour of the presentation. We will go over the slides. Then in the second hour, we will do an interactive activity. Especially something like whose role is it? Is it the role of the manager? The role of the board? The role of the membership? When deciding things within a cooperative. In that spirit, I would like to share with you these slides. The first slide,

>> By law the board is responsible for leading the cooperative. The board can delegate duties to hired management if you call it an executive director, a general manager, whatever you call that person. But the board simply cannot delegate responsibilities. The ideal in a good cooperative is to have a strong board and a strong manager that work together as a team.

>> In most states, cooperatives have a legislative authority. It's granted to them. On this particular slide I sure a copy of the state statute from the state of Wisconsin where I am located. If you can see from that

statute, the power of the entire business is vested within the board. Unless there are other reasons for doing so. What this is reiterating is that a Board of Directors is a very responsible and important part in the life of the cooperative business.

>> A cooperative board has a twofold challenge in governing. It needs to balance the deeds of the member of the business itself, along with the needs and the desires of the member owners. That board needs to keep in mind both the short-term and long-term when they are doing that delicate balance. As a reminder, a board is about governance. It's about setting policy, setting the longer-term strategy for what is going on within the business. And then the hired management will actually implement and make operational, those desires and plans. - - Plans. The board has a delicate balance of short-term and long-term needs of the business and the needs of the member owners.

>> Dr. James Baarda in some of his work identified seven key roles and responsibilities for any good board. We will go through each one of these seven roles and responsibilities. Here is an overview of them. The first role and responsibility of a board is to establish co-op policy. Part of that governance responsibility of a cooperative. What a co-op board wants to do is develop broad objectives and policies. It is a helpful starting point to have a well-defined vision and mission for the entire business. Just to reiterate the difference between a vision and a mission, a vision is a fundamental reason for why the co-op has come into existence. What does the co-op want to achieve? The mission flows - - flows from the vision. How will the co-op achieve its vision.

>> The policies that a board develops need to reflect what the members want out of the cooperative business they have formed. Well-informed policies and formed college fees for action this is keeping with some of the series - - theories developed by a man named John Carver who did a lot of work in board research. Co-ops along with other types of boards, need to develop policies that are flexible, that are fairly broad rather than being specific which allows for individual judgment and interpretation by management. As they implement the policies the board sets forth.

>> There are various types of policies that a typical co-op board will create. First they may create policies for the board itself. Such as who can be represented on the board? Do they need to have certain types of representation? Do they want to have representation of this group in the co-op, or someone having representation of another perspective? Often times, the boards will develop some type of policy about conflict of interest. By people sitting on the board. They will often include and create a policy, a written policy, about employment of relatives to board members. For instance, you probably don't want to have a co-op manager that is somehow related to anyone on the co-op board. That gets into a difficult situation. I know it can be tempting especially if you work in a small town. Take it from personal experience, when things go bad, it's good to have a bit of distance between relatives - - employing relatives to people on the board. Of course, any good board will do some type of formal evaluation of their own work. Hopefully once a year. Another type of policy the board sets, is related to finance and accounting. Often times it is the treasurer that will actually review the monthly financials. Especially in a smaller co-op or in a startup situation. Boards often develop some type of policy of what type of financial reserve they wish to see the co-op maintain. Boards will have a policy of what type of insurance they will carry. Of course, it is important to have some type of outside audit done by a third party. That

is good due diligence, good roles for governing your board. Other types of policies may include general business operating policies, depending upon the complexity and the stage your co-op is that in the early stages. The board may actually be involved in setting some individual rates for the services or the goods that they produce. They may set policies concerning quality control and they may set policies for some type of operations and the efficiency of those operations another type of policy deals with public relations and how they interact with all classes of membership. How the co-op interacts with potential members, and the policies regarding public relation to the general public

>> A second major role and responsibility of a cooperative board is hiring and supervising management. It's key to try to make the perfect match once you have hired that person ongoing clear communication. You need to communicate policies and the expectation that those policies will be implemented it's important to set deadlines and then to follow up on those deadlines. Another key issue that goes with hiring and supervising management is to have a succession plan in place. What happens in case something happens to your manager. The person retires, the person decides to take another job, the person is accidentally incapacitated. Do you have a policy? You should have a written policy of how it's handled. Who you want to name as interim director, and the process you want to go through in replacing that person. It is critical to do an annual appraisal and evaluation. This is tempting for busy boards that meet once a month to let this responsibility slide, but is important and fair to the manager to give good feedback on how that person is performing. When helping a startup organization, create their bylaws, I often suggest inserting into the bylaws the responsibility of initiating the annual appraisal, or the board and for the manager falls to the vice president. The president of the board has duties, the treasurer and secretary as officers also have obvious duties. Give the vice president something to do to make sure this happens. The manager's performance affects the performance of the entire co-op. Assuring successful performance, is one of the board's chief responsibilities.

>> I would like to share with you a slide that some of the co-ops I have work with over the years have a mantra about. They talk about keeping the nose in the business but your fingers out. It gets to micromanaging. The role of the board is to provide governance to think long-term, to set the parameters of how the cooperative business act. -- Acts. But then empowering the management to implement it. Avoid micromanaging is a great way to burn out to burn out your management.

>> Moving on to the third role and responsibility of aboard and that is to represent the co-op members. It's important for the board to be an unbiased voice for all the membership. Especially to the management that can get tied up and caught up in the day-to-day operations. Meeting with the board on a regular basis helps to orient that manager into the greater vision and why they exist to begin with. It's important to have balanced representation being mindful of the various perspectives that develop over time within your membership. For instance, a cooperative, when it is founded you will have a group of founders and they feel very vested in the -- in what is happening with the cooperative. It is important to take into account, the perspective of newcomers as well in balancing the perspectives of the people that are there with the co-op way back when. Along with some new blood and new perspective. You need to be mindful of the casual users of the co-op versus those that are truly dependent upon the co-op for their personal livelihood. This becomes especially important if you are a board member of a multi-stakeholder operative where you will have perhaps a class of worker owners and a class of

consumer owners. The consumer owners may be using the local food hub - - food hub to acquire fresh vegetables and local food, but for the workers or the farmers, they are much more dependent upon the co-op for their livelihood. Trying to balance those perspectives. That is a good role for the board. Another thing board members need to do is to continually gather information about the needs and the wishes and what the members expect from their cooperatives and sometimes they fall into the role of conflict resolution. I was working with a co-op board a number of years ago and it was a dairy co-op in the state of Wisconsin. And some conflict develops between the conventional dairy people along with the organic dairy members. The board needed to play the role, the information role of helping to provide general education to the membership about the value of both perspectives.

>> The fourth bowl - - the fourth role of a board is to communicate. By law every co-op is required to have an annual membership meeting. Then you will want to go above and beyond that. It is key when communicating to continually revisit how the members of the co-op like to communicate. This may vary by generation. If you have people who are a little bit older they may enjoy newsletters or information by email whereas people that are younger may be more into text messaging or other forms of social media. Another thing to remember about the membership is due the members get to see each other regularly? Do they have opportunities for communication. If not waterways that they can communicate? Another form of communication is ongoing meetings and training. During training for co-op you may have a little amount of time to update members about what's going on in the co-op. New issues coming up and get feedback about issues the board needs to take into account as they develop a new policy. And of course with communication is important to provide ongoing opportunities for celebrating and spending time for joining each other. I can see how some co-ops have ice cream socials and allowing people to gather and interact. It can be conversations over coffee or a happy hour. Whatever is important to your membership and the culture.

>> The fifth or role and responsibility is to prepare the co-ops character. This is important as grow and as they mature. And they have more years of experience. Staying true to the co-op values. For staff import to educate about what are the cooperative principles and how those principles must be reflected in daily operations. It's been the experience that unfortunately co-ops are still one of the best-kept secrets in America. For people that have gone through business training, perhaps have gotten an MBA, they have not had classes. They have not had coursework on cooperatives. Providing those people that you hire that come from conventional business training about what is unique about cooperatives and how are co-op values needed to be reflected in daily operations. For members it's important to provide ongoing training. It's part - - it's one of the reasons that - - one of the seven co-op principles and often times it's in state statutes. About setting money aside to provide training to the membership. About what exactly is a cooperative and how to understand the financials and how to understand what is going on in the markets.

>> The sixth role for a co-op board is to assess the performance. Is important for a co-op board to get monthly financial statements and more importantly to get training to understand the financials. To be able to set a budget and communicate to your management you need a budget and you need updates on how the co-op's meeting the budget. Of course you'll want to take a look at how satisfied people are with the performance of the co-op. Both customers and members as well as employees. For any new

initiative the board takes on you will want to take some regular milestones for evaluation. It can be by when you reach a certain performance goal, to step aside and take a look at how well the co-op is operating during a time or it can be by time. You have started a new initiative and within three months or within six months you will revisit. Was it a good idea to open up the new office? Was it a good idea to launch the business initiative. It's important to keep growing and keep the co-op moving forward but you need to evaluate that performance.

>> On an annual basis you want to analyze the performance in preparation for the annual meeting. Also for preparation for the managers performance review.

>> Finally the role and responsibility of fiduciary responsibility protecting the co-ops assess. - - Asset. Often we hear a fiduciary think a financial asset and that's an important part of a co-op business. It is also time, resources, and the hopes and aspirations of the members as well. You will want to have good checks and balances. You will need them set up to protect the co-op and follow through. This is especially crucial in the startup days or if you're co-op is small to have good checks and balances such as two signatures on checks from the co-op, having two people open the mail, one opens the mail and the other records any checks coming in. Just basic checks and balances to assure everyone that finances are being observed and are being done efficiently and accurately. Fiduciary responsibilities of making sure the co-op has a good accounting system. It is important to reach out to an accounting firm that is experienced with cooperative businesses. It is also important to make wise the resources of time as well. Sometimes co-op boards think we can get by on the cheap and we will have someone take care of this, this, and this. That may be cheaper initially, but in the long run it may cost time and opportunity. It may be more worthwhile to hire someone to create your website. To hire someone to help you with marketing. Rather than trying to do it in-house. These are things the co-op needs to assess. Most importantly, your board, you are not expected to be experts in everything. Ask for help. Ask for help and guidance from management, the people you hired. Ask for help from outside resources as well.

>> Putting aside the roles and responsibilities, let's talk about preparing members to serve on the board and what they need to be mindful of. There are three major duties, fiduciary responsibilities that board members need to do. To carry out your fiduciary responsibility to protect the co-op assess. The board of directors must meet three major duties. The duty of loyalty. The duty of care. The duty of obedience. We will go through those three terms.

>> The duty of loyalty. What that means is undivided loyalty to the entire co-op. If you are elected to the board, you are mindful of various perspectives within the co-op. Try not to value one perspective over another. Refrain from conflict of interest, that is why it is important to have some type of conflict of interest policy. That during board training you will develop among yourselves and everyone will review it and sign it. That will hold each other responsible and aware of when you may get into gray areas of conflict of interest. Is important to act in good faith. Not to divulge confidential information. Sometimes the board will be going over personnel issues. During a board meeting you will go into executive session to talk about delicate personnel issues or perhaps you are doing some type of competitive bidding and you may need to sign a confidentiality agreement. But the person or party you are bidding with. You will want to have a code of ethics you will develop over time and be independent and mindset tried to serve

on the board without an agenda, without a bias, and with a willingness to challenge what others are saying and what the management is presenting. You can certainly have differences of opinion that is a good thing. But to do it in a respectful way.

>> Let's move onto the duty of care. To the degree of skill, diligence, or reasonable care, that an ordinarily prudent person would exercise in a similar circumstance. That's a key phrase. An ordinarily prudent person. In order to meet this duty of care that any co-op board has, you need to do a careful selection of who you hire for your management. You need to provide the manager with adequate supervision. That's why it's important to provide at least on a minimum annual performance review. You may want to revisit other performance review six months and then a year. Delegate responsibility and monitor the performance of what you delegated. For instance a board can delegate various committees. For instance you may delegated committee to develop a overtime policy, or to develop a policy and mileage reimbursement something like that. The committee can work on that and gather information but then they need to bring it to the board and the board needs to vote. Board members are presumed to have knowledge about the books and records. Don't be bashful to ask for information of management so that you can make good decisions.

>> As part of the duty of care asking the right questions. This quote comes from some work that was done in upstate New York at Cornell University. He made an observation that perhaps the most important responsibility of directors is to ask the right questions of management. This is important as a startup co-op as well as a co-op that may have decades of longevity. You cannot be passive. Directors need to be engaged at every board meeting. You won't get into trouble for making the wrong decision. You could get into trouble for making careless, uninformed, or conflicted decisions. Do your homework. Ask good questions, listen carefully, and make a decision. Don't worry about it being the wrong decision, make sure it is an informed decision.

>> A basic rule of thumb if you are serving on a board is to ask questions that would help you as a board member, explain a board action to any member of the cooperative. For instance, if management is presenting an initiative that they would like - - that they recommend taking on it's important to ask what impact will this idea have on the co-op and on individual members as well. How do - - how does the idea influence the profitability? How will the idea help us achieve our strategic plan? How does the idea compared to our competition? How much money and staff will the idea take to reach goals for a particular project we're taking on? What other alternatives have been considered? What are the pros and cons of each idea quite this could be related to ideas management presents to the board. It could be ideas that individual members come up with. Or perhaps some of the committees that you have entrusted to take a look at the overtime policy or what have you. Some good questions. It is always important to ask questions in a respectful way. Asking good questions so that you can make informed decisions in your role as board member.

>> Acting in good faith. Making decisions that are informed. In order to do that you need to attend every single meeting. Before you go to the meeting, do your homework take a look at the financial statements prior to the board meeting. It's imperative that the board insist that their manager give them financial information and get it to the board prior if at all possible days if not a week, at least a week ahead of

time so that word members, individual members, have time to go over the information and come to the board meeting prepared and ready to ask good questions. It's important to take active participation in the board deliberations. It's important to do ongoing monitoring and control. You don't need to be a financial wizard. When you take a look at the financials, are there any trends you are seeing? Are there dollar amounts that either seem higher low? Ask questions about that. Do you see trends? Is there anything we need to be concerned about?

>> To meet the duty of care, a director has the right to rely on outside information. Such as advice from an attorney or from public accountants. Either the accountant that the co-op is using on a regular basis or if you are looking at a brand-new initiative you may need to get some additional financial advice. You have the duty to rely on information provided by officers of the co-op. Or as well as employees. Expert advisors such as co-op development experts. Such as your local extension agent. People that are experts in your industry. As well as information from committees that you have appointed by the board.

>> Than a third duty, the duty of obedience. In your role as a board of director you need to comply with first of all co-op law, the state statutes of your state. Articles of incorporation, your bylaws, it's important to become familiar with the bylaws of your cooperative. And any board policies that are written down you will want to review it. That's why I like to create a three ring binder for groups so they can insert into that binder the board policies as they create them.

>> In today's day and age, often times when you have been elected to the Board of Directors you probably have in the back of your mind in my liable for anything? And my personally liable for anything? The good news is a director of a cooperative is perfect - - protected if he or she fulfills the duties of loyalty, care, and obedience. That is why it's important as long as you do that you should be okay. Co-op boards are encouraged to carry board liability insurance. Yes this is an expense and for new groups that may seem like something they could let slide. You may be able to let it slide for a couple of months especially before the co-op starts selling goods or services. Once you start engaging in commerce, I would recommend having board liability insurance. You are making decisions, financial decisions on behalf of your membership. You need that protection. For protection for both yourself as a board member as well as the good of the cooperative. It is imperative to keep board meeting minutes and to record all motions. Another thing to keep in mind, is you want to speak with one voice. Of course, there will be disagreements. There should be disagreements about what policies you want to set forth and what direction you want to take the quantity of business. Take the time, disagree with one another discuss it, debated, take whatever amount of time you need to do it. Once you make a decision, and once the motion is passed, everyone needs to abide by it and speak about that motion or at the policy with one voice. It's not fair to go out into the membership and say the board voted for this but I was secretly behind it. Speak with one voice. The time for debate is before the decision is made not afterward. If the board - - in a democratic process, if the board reaches the decision and you as an individual board member just can't live with it, you do have the option to resign from the board. In order to be true to your personal ethics and values. Hopefully information has been discussed and you've had a good robust debate. People can feel comfortable with the decision, and you move forward and speak with one voice. Is important to have a board manual so everyone on the board be it a new board member or more experience board member understand the history of the cooperative and what policies

were set in place before him so that you come better prepared and you bring as much information as possible to the decision-making that you will employ. By being board members. Please remember, absence from a board meeting unless it's beyond your control is not an excuse for any type of liability. Board meetings are set well in advance. Those dates should be publicized. They should be on everyone's calendar. You need to abide by that. Make sure you attend the meetings unless something unforeseen happens. In fact, with a lot of the co-ops I worked with, we have inserted into the bylaws that if a board member Mrs. two or more consecutive meetings, that may be reason for the board to ask that person to step aside and to fill the vacancy. It is that important. These are businesses you are running an board members are setting policy and they need to be present for the deliberation of setting the policies. Claiming you are out of the loop, does not work. Claiming the action was the manager's responsibility will not cut it from a perspective. You need to keep well-informed you need to make well-informed decisions, and then move forward with that.

>> In conclusion, a cooperative board of directors has a responsibility to act in concert as a board to set policy for the entire organization. They oversee the co-op operations. They make top-level decisions affecting the welfare of the cooperative and the membership.

>> I do have one other thing to offer up. As we all know October is co-op month in the United States and we are USDA are celebrating co-op month in a number of ways. We have a number of webinars coming up. This is the first webinar of the series of webinars and there are other activities going on and one of the activities that we have going on is a social campaign so we are looking for hashtags of www.rd.usda.gov/iheartcoops and if you wouldn't mind taking a picture of yourself with your story and giving a blurb about why you love co-ops that would be much appreciated. We are gathering all that we look forward to sharing people's reasons for why they love their co-op.

>> We have plenty of time for any questions or comments. If you wouldn't mind if you have questions to please write them into the chat box and I will attempt to answer some.

>> Thank you for the presentation. This is great. I have a question. What exactly are the books and records that need to be established and evaluated by the board to ensure success? Especially if I am starting my co-op and going through the board election process.

>> Very good. Any start up situation, what you want to do is to have some type of Excel spreadsheet. I would recommend quick books or something like that for accounting. Just basic entry of revenues coming in and revenues going out. Over time, hopefully you will hire management that can help you with that. In the early days, some of those things, good third-party controls as I mentioned especially with a startup or a small co-op. You will want to have two signatures on checks issued by the co-op itself. There's another one I recommend and it will come to mean a moment. Just prudent practices so that you have multiple eyes looking at the finances. Multiple eyes looking at resources. So there is never any question about unfortunately theft does happen. It can happen externally. It can happen internally. Having the poll - - multiple who has keys to the office. Going to the bank and setting up the signatories. On behalf of the co-op. Having multiple people doing that. I'm trying to think of some other basic checks and balances. If I come up with anything else I will share it.

>> Thank you. That is great. We have another question the chat box. From Cynthia. She asks, have you seen any cooperatives around the mobile grocery stores? If so, is the cooperative working out quite

>> Very good question. I have heard about these. Actually our colleague Jim [Indiscernible] we call him our local food guru, he seems to be more aware of these. They seem to be more - - happening more so in urban areas. They are relatively as a new phenomena. I am not as in touch with that I have heard of one in the Philadelphia area. I have heard of them being independent. Co-ops doing the mobile grocery store. I have also heard of food co-ops themselves having a mobile store and going out into other neighborhoods. Good question.

>> We will give it a couple minutes for folks to chat in the chat box if they have any remaining question. I would like to note again that this presentation will be recorded and sent out to the participants. It will be an MP4 and the slides. Feel free to share and bounce some ideas back and forth from your colleagues. Margaret we will give it a moment.

>> That sounds good. As I mentioned, before at the beginning of the webinar, I often times when I do board training I like to of course there is some information need to go through that we shared in the slides. I also like to do an interactive activity. I have taken some pieces of card stock paper and I will write on it various activities. Such as hiring manager. Such as deciding on the patronage refunds for the year. Such as electing the board. Such as hiring other employees. I will put them in a deck of cards and I will hold out the duties to individuals in the room and asked them now pull a duty out. I will say whose duty is it? Is it the duty of the membership? The duty of the board? Or the duty of the manager? The person will guess I think that's let's see I think hiring more employees is the duty of the manager. I'll ask the group do you agree? Do you think is the duty of a manager or a board? We will have a discussion. Yep. It's a manager duty. How about setting the amount of the patronage refund this year? Whose duty is that? Someone may say I think that's the duty of the manager. Is it really? Think about it? We will talk about it. No that's the duty of the Board of Directors. It's a physical way of reinforcing who does what within a cooperative.

>> Awesome. We have a few more questions in the chat box. Are there persons or entities you suggest for new or existing cooperatives to consult with as it relates to continuing board education?

>> Very good question. I would suggest, we are fortunate in the country to have cooperative development centers. Many of them are serving rural areas funded by our agencies through the rural cooperative development grants. Those centers may serve in individual states. They may serve multiple states. Often times they are excellent resources for providing board training. Also if you go - - I highly recommend the University of Wisconsin Center for cooperatives. They are doing ongoing research and good governance practices by co-op boards. Also the Center for the study of cooperatives at the University of Saskatchewan is doing some ongoing research. They often times will have materials on their websites that you as a board member or the board president can pull and use during a training session. Also you may have made contact with your local university extension agent. Often times they've had training in facilitation techniques or they have had some training in boards often times it's not profit board governance. You may want to develop a relationship with them and encourage them to learn

about co-op boards so they can provide some good training and some - - and sometimes co-ops will run into issues. And having outsiders that have a knowledge about the roles and responsibilities of co-op boards, so they can come in and act as a facilitator. To help a board through a difficult period or help the co-op membership in general through a difficult period.

>> The questions keep pouring in. We have another question with regards to the grocery cooperative. Is there a point of contact with USDA for answering questions about development of cooperatives? I may have some questions about developing a mobile grocery store. What a contact Jim Barnum or you Margaret or both of you?

>> I think both of us would be more than happy to help. Jim Barham he really has his finger on the pulse of what's happening. With local foods across the country. He has some ideas of what's happening. I would be happy to provide some resources and contacts in your local area. Of who is doing some good work with co-op development in that particular sector. There's a lot of interest in local foods and I really salute you in your interest in the mobile pantry co-op. Feel free to contact me or Jim Barham we will be happy to do that.

>> We have another question. You mentioned a few researchers you do work related to co-op governance such as end Reynolds. Are there additional researchers that you can recommend for? Developers to become familiar with?

>> That Dr. Henehan out of Cornell University. He had a sabbatical for year at the University of Wisconsin and he spent his time looking into board governance especially at well-established agricultural co-ops. He has develops materials. I'm trying to think of who else is doing that information. If you are involved with worker co-ops, the democracy at work Institute along with the US Federation of worker co-ops is doing some groundbreaking work on good governance and board training for worker co-ops. Also when it comes to ownership conversion, existing businesses Inc. sold to employees either as a worker co-op were a [Indiscernible] there are a number of co-op development Center starting to develop some good governance principles and practices and training for that. If you would contact the democracy at work Institute they are based out of San Francisco. If you Google democracy at work Institute you will come across their contact information. Some of the materials. That particular center is partially funded by the rural cooperative development grants. So help yourselves.

>> A couple more questions. Which are related. Can you expand on what you mean by one vote one void - - one voice?

>> That's important with any board. I've seen it when - - for instance one board is signing a letter. Often times the letter will be signed by the board president. It will actually say John Smith, Board President, on the half of the food co-op. I once was involved with the co-op that try to send out a letter that was signed by the five board members with individual signatures. It's like no. You want to speak with one voice. You want to - - obviously people are individuals, but when you come together, and you are doing a board role, you need to speak on behalf of the entire board. Another situation I have come into. When you come into a board meeting your acting on behalf of the co-op. You are acting on the board. Once the meeting is over you go back to your role as being an individual member. I have seen some - - in some

new crops with new ward members that don't understand their roles and responsibilities I have seen some unfortunate situations where individual board members will take it upon themselves to do some extracurricular research. One board member I saw go off - - this particular co-op was selling food to a local hospital. He felt it was his duty to go into the hospital kitchen and to going to the cooler and make sure the product was delivered. That was overstepping his role. Their reliability issues on behalf of the hospital. The hospital was upset by this action. The board needed to take him aside and say don't do that in the future. If you are concerned about whether or not product is making it to the hospital let's go through management. Let's go through channels. You can't take that on the yourself. I have also seen in that same co-op we had a different board member that was new. He was a food processor. A meat processor. He was using the information he learned in the board setting about what rates were set for processing and he was using that information to undercut his competition. Obviously that was a violation of the ethics code that everyone had agreed upon and so when the board found out about this behavior they asked him to resign and they had cause for that he was violating ethics. Speaking with one voice. What it means is that being aware of what is your role and acting on behalf of the entire board you can certainly do due diligence, but do not overstep boundaries.

>> Thank you, Margaret. I want to do a quick reminder that this webinar will be recorded. It will be sent out by Margaret our presenter along with the PowerPoint slides. Feel free to share. Margaret I have had requests when you send out your email, your follow-up email, can you add Jim Barham's information.

>> Certainly.

>> It's a hot topic.

>> Certainly is.

>> I don't see any questions in the chat box. I will give it another minute or two in case folks want to get their last questions then. We have a specialist on the line here. Please feel free and use the time to get down to the nitty-gritty.

>> I been doing co-op development for 18 years. Sometimes you think you've seen everything under the sun. Things come up. People interact and people may be new to their roles and they do funny things. It's important to do ongoing board training. To kind of set the parameters. What are the expectations being on a board? What do you need to do? What should you do? Have fun with it. You are acting on behalf of something that hopefully you are passionate about. And it's - - you really will gain some skills and knowledge. I have seen board members blossom. They have learned skills in communicating ideas when formerly they were very quiet. They have learned information about reading financials. They've been able to use that in their personal life. I was recently at a conference of home care workers and one woman that has been on a member of a homecare worker co-op and she is relatively new to the board. During the training we talked about governance principles and she said this information is so important not only to our co-op but also I am on the board of the parent teacher Association in my hometown. I will be able to share some of the information. That is what is so special about being in a co-op. You are learning skills. You are developing some abilities that you will be able to use not only for your co-op that also in your personal life and being a good citizen in your community as well.

>> It's a marathon not a race.

>> Exactly.

>> Well, Margaret. I don't have any questions here. Again, I want to say thank you. I learned a ton in this hour.

>> Thank you everyone. This was about an hour's worth of time. As you can see if you are providing more training you can go through these slides in about an hour's time. Then allow time for some interactive activities. Thank you so much everyone. Enjoy your duties and responsibilities on being a board and thank you for your leadership in the life of your cooperative.

>> Thank you for participating in the conference call. You may now disconnect your lines at this time.

>> [Event Concluded]