

**SEVANANDA NATURAL FOOD
REGULAR BOARD OF DIRECTORS MEETING
TUESDAY, SEPTEMBER 22ND 2015**

Call to order 7:40pm

Present Board Members: *Adriene "Chi Ma'at" Dilworth, Sharon Mack, Ntianu Alghanee, Quanda Stroud, Debra Bonaparte, Raj Mehta, Tim O'Donnell*

Absent: *Jed Davis, and Brain Sherman*

Non-Board: *Gary Hilliard, General Manager, Shawn "Stilts" Goldman, Eva Stong, & Carolyn Morris, Board Admin*

BUSINESS: *Board President called meeting to order at 7:40pm
Leslie Watson, CDS Consultant joined via conference call*

OWNER CONCERNS: *No Owner Concerns*

APPROVAL OF MINUTES: *Skipping approval of the minutes for September which were August 2015
Minutes included in Board packet*

COMMITTEE REPORTS:

Training Committee Report by Debra Bonaparte, Committee Chair -- Reported that there have been two trainings for board members sponsored by CDS & NCG – both in North Carolina between September 2014 and September 2015. Currently there are no other participants on this committee, Ms. Bonaparte is working on Committee by herself. The intention is to have more robust and varied training opportunities for board members toward continued growth and effectiveness of creating a more cooperative board.

Training Committee Goals / Objectives: For the remainder of 2015 is to make more board training opportunities available to the board, and have this take place quarterly, in 15-minute segments at the board meetings. Ms. Debra will initiate first Tuesday of the month face-to-face meeting or via conference calls to work on this initiative.

Debra passed out a lists of relevant board training opportunities, and requested that each board member select a topic of interest and return the handout to her. There are eight topics and each board member is encouraged to select two topics of interest, and Ms. Debra will work to report on top votes for future trainings.

NOTE: *Aside from the Training Committee Report, Ms. Bonaparte shared her personal concern over the elimination of the Working Owner program. She reported that in a conversation with an Owner –they also shared concerns about the elimination of the Working Owner program. The Owner comes into the Co-op for the exercise—the program gives them this opportunity. It is not for the discount.*

Tim O'Donnell, Policy Committee Chair -- Tim acknowledges that the Policy Committee is a Standing Committee, but is treating it as an Ad Hoc Committee for the purposes of moving forward. There will be a working core that will present to the board. Quanda Stroud, Board President forwarded Tim a set of Template Policies from CDS Consulting. Tim reviewed Sevananda current policies and found contradictions, typos, negative statements, double negatives and complete confusion. In the short term, as Policy Committee Chair, Tim will have a formal report of the policies for the agenda in October with some possible voting items. Long

term is to work through simple issues in the current policies to eliminate contraindications, and for organization sake define consensus and build confidence to through team building.

President, Quanda Stroud is putting emphasis on documentation of all processes by the current board, so that those who come after the current board will have a solid place from which to build.

Sharon Mack, Product Policy, Chair -- The original perception there would be a small subset of the board of directors. Hasn't spoken with Ntianu or others. Ms. Mack will bring that report forward from the rears.

GM FYI Report

- *Reported on NCG Conference, held in Seattle, Washington. NCG reported on increase in Co-op memberships. Among them were Life Grocery in Marietta, Georgia and also Park Slope, in Brooklyn New York (52 million annually) has joined. This meeting focused on success stories from different Co-ops throughout the USA. Sevananda GM reported on the co-op's success, and received a standing ovation.*
- *At the meeting NCG called for donations to support East Aurora starting up in New York – Sevananda committed \$5,000, and would like a decision in 30-days of Sevananda's support. GM provided paperwork to the board for Sevananda to execute the \$5,000 pledge.*
- *September 30th 2015 will end the third quarter – and Sevananda is looking at a 9th quarter of profitability.*
- *Administrative Offices painted by volunteer staff.*
- *Confirmation from Sevananda's attorney Bill Mohr that Sevananda won the legal case where 8-members sued Sevananda. There is one more level of appeal.*
- *Working Owner program has been eliminated – the program was supposed to be eliminated December 31st 2014. Elimination is due to IRS's position that the discount is a form of compensation that they are unable to tax. The IRS views this as a violation of the Fair Standards Labor Act (FSLA). Sevananda will launch a volunteer program where Owners can serve Sevananda Co-op on a volunteer basis without any perceived conflicts of interest. The new program will have a different name and there will be no compensation tied to the volunteer program.*

GM Monitoring Report

POLICY NUMBER: III – 5 ADOPTED: 11/21/05

POLICY TYPE: EXECUTIVE LIMITATIONS

POLICY TITLE: TREATMENT OF VENDORS

ITEM #6. Fail to pay vendors within agreed upon terms.

OPERATIONAL DEFINITION/INTERPRETATION: Pay vendors on time.

DATA: We have experienced some difficulty in keeping all of our vendors paid within their terms. There are several factors that have caused us to be in this position. Over the last several years, Sevananda has operated at an overall loss. That series of losses has slowly depleted our operating capital. Due to the cash shortage, we are unable to meet all of our current terms with a one vendor. We remain behind with Emerald Data services, but have a good working relationship with them.

REPORTED: Non-Compliance

COMPLIANCE PLAN: We have negotiated a new rate with this vendor and have a plan in place that will bring them current by Feb 2016

ITEM #8. Fail to provide a grievance procedure for vendors who believe that they have not been accorded a reasonable interpretation of their protections under this policy.

GM'S INTERPRETATION AND RATIONALE: I am unaware of a grievance procedure for vendors although I have had to diffuse some vendor concerns.

DATA: I cannot with complete confidence say that there is a grievance procedure for vendors and therefore cannot assure that all vendors are aware of it.

REPORTED: Non-Compliance

COMPLIANCE PLAN: Create or locate grievance procedures and get a copy to all vendors.

Board member Sharon Mack motioned for board to accept the GM Monitoring Report, and Raj Mehtr, seconded the motion and all directors voted in favor of accepting the GM's Monitoring Report as follows:

Adriene "Chi Ma'at" Dilworth Sharon Mack Tim O'Donnell Ntianu Alghanee
Quanda Stroud Debra Bonaparte Raj Mehtr

Board Member Ntianu Alghanee made note to the full board that the way the current policies are read, and defined are unclear and the board has no way of knowing if what the General Manager reports is true.

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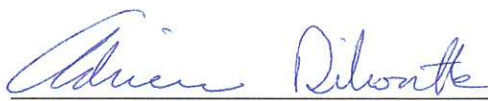
BOARD RETREAT @ LITTLE FIVE POINTS CENTER FOR ARTS & COMMUNITY

<u>Date(s)</u>	<u>Time(s)</u>	<u>Topic(s)</u>
Thursday, October 8 th	7PM – 9:30PM	<i>Policies / Bylaws</i>
Friday, October 9 th	3PM – 6: 00PM	<i>Ethics</i>

AUDITOR CONFERENCE CALL

Board would like to schedule Audit conference call with Audrey Griffin – Carolyn will check on Audrey Griffin's availability and work with board of directors to set-up conference call.

Meeting Adjourned at 9:19pm ~ Board moved into Executive Session



Adriene "Chi Ma'at" Dilworth, Secretary



Date