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Oregon Tilth, Inc. is a 501(c)(3) nonprofit organization that supports and promotes biologically sound and socially equitable agriculture through education, research, advocacy, and product certification.

Oregon Tilth Board Meeting Minutes
Thursday, November 19th, 2015
3:00-5:00 PM

Board Members Attending:

Lynn Youngbar
Steve Crider
Susan Schechter
Ryan Wist (joined during Governance Committee update)
Emma Sirois
Justin Freeman

Staff Attending:

Connie Karr
Chris Schreiner
Monica Murray (taking minutes)
Jessie Hancock-Malo
Renee Kempka

Members/Public Attending:

Joel Riten (MAC)
Shouka Rezvani

Introductions and agenda review

Public comment

None.

Consent agenda

- **Board meeting minutes Sept. 25-26.**
- **EL 4 Financial Conditions and Activities Q3 2015**
- **EL 8 Board Communication and Support**
 - Steve moves to adopt. Justin seconds. **Motion passes. (5-0-0)**

ED Report

Staff Newsletter

- Chris shared staff newsletter, operational updates, and financial statements with board.
- Discussion of challenges and new projects: Communications efforts to share stories of farms and operations, webinars, etc. in coming year. Various staff members are working through 2016 budget preparation with Renee. Plan to present budget for approval at December board meeting. Mexico accreditation is challenging; they keep changing rules & expectations on us. Team is working together on this issue.

IOAS Audit Discussion

- OTCO received a noncompliance for offering EU certification to US-based operations. Due to US-EU equivalency agreement, this certification is viewed as redundant by IOAS and USDA NOP. A small number brokers may be negatively affected by not offering this service to US-based operations.

Retreat Week Discussion

- Staff engaged in teambuilding activities, trainings, holiday party, potluck, and white elephant gift exchange. Allowed staff to reconnect and work across departments.

Membership Advisory Council (MAC) Update

- MAC is working on recruiting new member. Expect to have a few names to present to board for consideration in next couple months.
- Joel is working on topics for MAC to work on. The MAC is looking for feedback from the board on what the organization wants input on. Looking for something the committee members can sink their teeth into and represent larger members, especially those unable to serve on the board due to conflict of interest requirements. Some topics raised by MAC members include:
 - Mexico certification and activities; movement of organic seed across border in both directions
 - Food Safety Modernization Act – Outreach and support / education desired on new rules, who is impacted and implementation timeline. Improve understanding of food safety liability when trying to sell to institutions (i.e. schools).
 - Cannabis and hemp certification
 - Back in Nov. 2014, questions were put forth to MAC before board tabled topic. Board received a couple individual responses, but not a formal response from MAC as a group.
 - Joel will bring topic back to MAC

Finance Committee Report

2016 Budget Highlights and Concepts

- Processing
 - Expense: More efforts and resources allotted to COR, GOTS, and NSF. Additional certification officer position.
 - Income: Estimated 9% growth for 2016
 - Conservative estimate. Historically, average growth 11%
 - FSMA effects on program unknown.
- Farmer/Grower
 - Income: Modest 3% growth expected.
 - Improvement over past years where growth was stagnant.
 - Expense: Additional certification officer position. Number of staff has not risen to meet higher demand for certification.
- Additional expense: NOP accreditation audit. Our renewal audit will occur in autumn of 2016.
- Mexico office
 - Income: projected 23% increase in Mexico certification
 - VAT tax of 16% may be a concern for some clients on cost of services.
- Education
 - Grants and proposals totaling \$200,000 submitted for 2016.
 - 72% of program costs for 2016 has already been secured by external funding (grants / contracts).

- Remaining 21% funding supported by Oregon Tilth.
 - Interest in 2nd NRCS position in the Midwest. Currently seeking support for matching funds. Not included in budget, but if we secure funding, then we'll hire for position.
 - OSU BFRD grand must be spent down.
 - OTCO considering a part-time position to use these funds.
 - Second Transitions Services position considered.
- Communications and Marketing
 - *In Good Tilth*
 - Digital version
 - Improve overall design
 - Content and article improvements.
 - More member content
 - Translation services for Latin America clients.
 - Membership and development coordinator position (Part to full-time; looking at beginning in 2nd half of year)
- Organicology 2017
 - 2016 budget will bear some of the expenses (contracted coordinator, marketing, some non-perishable food)
 - Increase registration fees to help cover expenses
 - Attendance will be capped at 1000 to preserve integrity and ensure comfortable space
 - Tabling fees
 - Food and entertainment costs were an issue in 2015
 - Duties have been shifted and will be closely monitored to keep within budget.
- Operations
 - Servers must be replaced this year.
 - Estimated \$30,000 to \$40,000 replacement cost
 - IT Department is negotiating with Intact to stabilize costs for Ecert license.
 - Payroll increase of 3% across the org
 - Travel costs more carefully tracked in 2016.
 - Health insurance increase is minimal: 3.7%
 - Minor increases to occupancy costs (utilities, landscaping, etc.)
 - Professional services are large cost in this category.
 - Grant writing
 - Budget was too large last year. Decreased to realistically reflect OT's need and use.
 - Website improvements: Payment portal, inspector portal, online renewal, etc.

Governance Committee Report

Proposed updates and revisions to bylaws discussion with Shouka Rezvani, Oregon Tilth's attorney specializing in non-profit law

- Bylaws are being updated. It has been many years since bylaws in their entirety have been reviewed and modernized. The few changes to bylaws over the years have been focused on eligibility to serve on the board, to comply w/ accreditation conflict of interest prevention requirements.
- Draft bylaws revisions are longer than hoped for, but represent best practices for nonprofit membership-based organizations. Much of the new language is designed to clarify areas that were ambiguous or unaddressed in existing version of bylaws.

- Shouka will finalize bylaws, incorporating board's input and will also adjust Articles of Incorporation to align with bylaws. Share proposed revisions w/ MAC for their review and input. After consultation w/ MAC, Board will seek vote by mail from the members to approve both the restated Articles and Bylaws.
- Discussion regarding employees and independent contractors as board members
 - Recommendation: Both must wait 12 months from end of employment or contract with Oregon Tilth to serve as board members. Follows precedent established for conflict of interest avoidance.
 - No current employees or contractors may be board members.
 - **Action Item:** Shouka to update/add language to reflect this.
- Discussion regarding Executive Committee
 - Inclusion of this committee is a best practice to allow subset of board members (usually Officers) to make quick decisions in emergency circumstances. Provisions limit powers of this committee.
- Timeline: Revised Bylaws and Articles expected to be adopted by end of February, when board has its first in-person meeting.

Schedule next meetings

Remaining meetings for 2015

- Next meeting November 30th 4 – 5 PM to review initial budget figures.
- December 15th, 4 – 6 PM conference call (regular meeting)

Proposed 2016 schedule of board meetings

- Reviewed proposed schedule. Some conflicts with proposed in-person 1.5-day meetings.
- Decided to keep Feb 19/20, 2016 in-person mtg. Steve Crider can't make it. Ryan Wist might not be able to make entire meeting, but will work on attending as much as possible.
 - **Action item:** Chris will send out doodle poll for possible dates for in-person meetings in May and September. Plan on Friday afternoon start time and Saturday afternoon finish.
- Discussion of Annual Meeting date. People like having it in November, preferably before holiday season begins. Also like aligning Annual Meeting w/ staff retreat, so remote staff can attend. Discussed trying to host on a Saturday next year.
 - **Action item:** Chris will send out doodle poll for possible dates for Annual Membership Meeting. Propose Saturdays.

Executive Session - Annual Executive Director performance evaluation

Meeting adjourned.