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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

Tuesday, June 16, 2015

4:00-6:00 PM

Board Members Attending:

Lynn Youngbar
Steve Crider
Susan Schechter
Ryan Wist
Emma Sirois
Justin Freeman
Ann Forsthoefel

Staff Attending:

Connie Karr
Chris Schreiner
Monica Murray (taking minutes)
Renee Kempka
Sarah Brown

Members/Public Attending:

Joel Reiten (member)

Introductions and agenda review

Public comment

None.

Consent agenda

- **Minutes of March 17 and April 24-25 meeting**
- **EL-2 Treatment of Staff**
- **EL-6 Asset Protection**
- **EL-1 Treatment of Consumers**
 - Steve moves to accept consent agenda. Ryan Seconds. **All in favor. Motion passes (7-0-0)**

Membership Advisory Committee (MAC) Update

Presented by Joel.

- Joel summarizes his experience in the organic industry and service on MAC. He is getting in touch with members via phone to garner new connections to help with MAC recruitment.
- **Action item:** Joel will follow-up with Chris to clarify process for presenting prospective MAC members to the board for consideration. Board appoints new members to committee.
- **Request of MAC:** As MAC members talk to other OT members, the board is interested in getting pulse from OT members regarding proposed Organic Check-Off Program.

ED Report

OSU Small Farms Partnership Report –

- Partnership Overview:
 - Formal partnership in place since 2009. Helps OT set agenda around research and education involving organic at Land Grant University (LGU).
 - Partnership focuses on beginning farmer education, applied organic farming research, transitional farmer outreach & support, and needs assessment.
 - Conducts surveys and focus groups to listen to producers and identify needs and opportunities the partnership may be able to address.
- Oregon Tilth Contribution and Benefits
 - OT financial contribution amounts (made to dedicated fund at the OSU Ag Research Foundation) have changed over time. OSU has been flexible in times of financial hardship (years when OT couldn't donate much or anything), and hasn't adjusted level of engagement according to amount donated. This illustrates long-term commitment to partnership.
 - The partnership has enabled OT to secure grant funding, both as lead and as sub-awardee. So our financial contributions act like an investment with financial returns occurring via submission of competitive grant proposals highlighting NGO and LGU collaboration.
 - Projects completed by partnership have furthered OT's goals.

Organic Check-Off Proposal

- Summary: Proposal submitted to USDA Ag Marketing Service by Organic Trade Association. Program would provide funding for organic marketing and research, but costs processors and farmers a percentage of their organic sales annually.
- USDA has requested alternate proposals and additional content. Deadline is July 19.
 - After submissions are received, USDA will draft final proposal and publish, open for public comment, and then finally a vote. So timeline until vote is still months out in future.
- There are a diversity of opinions and perspectives amongst organic sector on whether proposal would be positive or not. OT remains neutral on this issue, but is providing information and resources to educate clients so they may make informed decisions of support or opposition.

OR 2015 Legislative Session – Bills on Genetically Engineered Ag Update

- Following 2014 service on Gov. Kitzhaber's GE Task Force, Chris participated on a legislative work group on GE issues, convened by the House Committee On Rural Communities, Land Use and Water. Several different bills at play, and we advocated for creating state policy that would authorize OR Dept of Ag to manage control areas and prescribe best practices designed to reduce risk of genetic drift / contamination of non-GE crops by neighboring GE crops. Due to polarized positions on issue and lack of political support by Governor's Office and Legislative Leadership, the bill died in committee.
 - The bill was later revived in House Rules Committee, so still currently at play.
 - However, Chris doesn't perceive much political traction or support from leadership, so unlikely to get out of committee for full legislative vote. Disappointing outcome, but values the opportunity to be at the table and participate in process.
 - Issue of genetic drift / contamination won't be going away, and also affects other crops in OR, including hemp v. medicinal / recreational marijuana as well as canola v. brassica specialty seed crops.

2014 OTCO Management Review Report

Connie and Chris Presenting.

- Summary: Annual report required by our accreditation to International Standardization Organization (ISO) Guide 17065. Involves review of feedback from clients, findings from audits (internal and external), and identifying areas of improvement.
 - Summarize and analyze complaints, appeals, and mediations.
 - Seven recommendations at end of report for board to review.
- Corrective action and preventative plan: move from reactive system to a preventative system. Centralize tracking system for ease of use.
- Create a more standardized system to regularly garner feedback from clients.
- Track impartiality in a more centralized way. OT currently tracks conflicts of interest in personnel files and relies on self-declaration.
 - Provide training to board on its new role as mechanism for guarding impartiality.
 - Organization and staff has an existin system to avoid conflicts of interest. Board acts as a governing and oversight body for ensuring impartiality in OT staff.
- Timeliness identified as an area of improvement and important mechanism for customer service.
 - Increase to 75% percent the audits that turnaround inspection to decision in less than 60 days.
 - New clients and expedited are currently taking priority over renewing clients, causing delays and increase to overall average number of days.
 - Monitor staff to client ratio to identify optimal workload to deliver timely service.
- Justin moves to accept report as written, with commendations to staff for positive findings. Ann seconds. **All in favor. Motion passes. (7-0-0)**

Report on Farm Food Safety Analysis and Potential Opportunity for Oregon Tilth

Presented by Connie.

- Summary: Farm food safety has been a hot topic for strategic planning, staff, clients, board meetings, MAC, etc. OT hired consultant to conduct feasibility study and advise OT on this issue Work included assessing market demand, certification opportunity, competition analysis, and possible certification or assessment models.
 - Three possible models presented themselves: a private OT standard, partnering with another organization, or adopting and becoming accredited to a recognized standard.
 - As an alternate possibility, OT could provide education to clients seeking farm food safety certification
- OT's attorney identified possible important considerations regarding OT's 501(c)(3) status
 - If Food Safety Modernization Act (FSMA) rules make 3rd-party assessment or certification compulsory, it could be an issue. Food safety certification not explicitly identified as tax-exempt activity in service of mission in OT initial application to IRS for 501(c)(3) status. By contrast, 3rd-party organic certification is voluntary program and was explicitly identified as exempt activity in IRS application.
- Costs and risks appear to outweigh current demand and opportunity. OT could phase in an educational program as a first step, then assessment, and then certification.
- Justin: Given level of uncertainty involving FSMA, many farmers are holding off on making a decision until there are definite rules.
- Board pleased with report; exactly what envisioned when asked staff to engage board in discussions regarding new / strategic initiatives.

Board Committee Reports

Board Finance. Presented by Ann and Chris

- Summary: OT stands in a great position and is financially sound and at a net positive. Currently, actuals are outperforming budget. First two quarters have stronger cash flow given timing of certification renewals.
 - Results of a recent financial audit for 2014 are pending. Hope to receive finalized report and share results with board at July meeting.

Board Governance Committee. Presented by Susan

- Summary: Bylaws have been in need of update for some time. Committee has agreed upon areas needing improvement and identified a few items to send to board for discussion and decision. Our attorney will be working on drafting updated bylaws, guided by board input and informed by ensuring all relevant state and federal requirements are clearly addressed.
- Attorney will clarify process for approving amendments to bylaws, after all requested changes have been incorporated into draft.
- Board discussed importance of maintaining transparency with membership on what board is proposing for bylaws amendments / updates and rationale for making those changes.

Board Recruitment and Enhancement Committee. Presented by Justin

- Summary: Committee asks board members to seek out potential board members from their networks.
 - Committee emphasizes board diversity.
- Creating a system to track potential board members, topics discussed with them, interest level, etc.
- Maintain board term expiration date calendar to plan ahead for board member changes.
- Identify an ideal set of skills for new board members and identify gaps that need filling to inform recruitment efforts for prospective candidates.

Next board meeting: Tuesday July 21 at 4pm PST, online via GoToMeeting

Meeting Adjourned.