

Down-To-Earth (Vic) Cooperative Society Limited

Board Meeting

Minutes

Date: **Thursday 4th May, 2017**

Time: **8pm**

Venue: **CERES, Learning Centre Rm,1-2 Lee St, Brunswick East
VIC**

Online: <https://dte.coop/live.meeting>

#	<i>Item</i>	<i>Raised by:</i>
1	<u>Election Of Chair</u>	<i>procedural</i>
	1.1 Confirmation of Agenda: Denise Banville 1.2 Confirm Minute Keeper: Coral Larke	
2	<u>Attendance</u>	<i>procedural</i>
	Kate Shapiro, Kat Flynn, Peter Carty, Scouse, John Reid, David Mac Donald, Marty Schwarz, Aaron Shipperlee, David Hicks, Troy Reid, Malcolm Mathews, Coral Larke, Denise Branville, Steven Lee, Joel Joseph James, Ian Hales, Fulvio, Mark Rasmussen, David Cruise, Peter Cruise, Lindy Hunt, Andrew Wilkinson, William Elliot, Peter Tippett, Online: Kristen Joy, Robin Mac Pherson, Don Royal, Kristen Joy, Lars Nissen	
3	<u>Confirmation of Previous Meeting Minutes</u>	<i>procedural</i>
	No reading of previous meeting minutes. No objections to previous minutes. Mark Rasmussen moved, Kate seconded. Done	
4	<u>Correspondence & Membership Applications</u>	<i>procedural</i>
	Apologies Emma Bennet, wanted to raise stock control, this will be differed for OC. Mailed Bills to DTE: Malcolm Mathews \$6 Telstra bill. Malcolm will pay \$24 to make payment to the end of financial year. \$174 Local Land Services \$265 County wide services / Bins on Site \$529.43 Origin / electricity on site \$15 Refund / Edwards River Council Refund Online Bills: Troy Reid \$ 2653.26 Cloud Business Consulting & Bookkeeping \$1147 Ceres re Rental \$4128 David Walsh gas cylinders \$4460.15 Dentons Lawyers re council negotiations \$188.4 Reimbursement for Fulvio Geradi - Fuel. Contested by Bree due to a Financial Committee Member reconciling own account. \$1431 Kaisha Reid In meeting request: \$388 Coral Larke	

	<p>Membership Applications Viola Morris Worked at first Aid Vouched by Kate Shapiro Ajit Singh Vouched by Troy Reid. David Mac Donald raised issues regarding if enough hours were undertaken and if workshops should be included as legitimate 24 hours work needed. Kate read the rules and confirmed that workshop hours are included as being eligible for membership. Kristen Joy: Between 20 and 30 members are DTE members on the strength on being village workshop participants, if this is being challenged then Kristen will present a list of DTE members who use village workshops being a requirement who also should be audited. David Mac Donald Disapproved also on the grounds that he wanted to become a part of the Holi Color team and buy cheaper flours and this was rejected. Troy Reid said that Anjit needs to be present to defend himself for this discussion to take place. Joel James 40 Hours Vouched by Chase Dean Eastwood 45 hours Vouched by Kate Mark Lucy 40 hours Ops Vouched by Denise Adrian Williams Needs to be contacted to gain his hours Ben Watson Needs to be contacted for verification Bike Crew Received activity sheets but need to be contacted for clarification if they were asking for membership.</p> <p>David Cruise received 20 memberships and will bring to the next Board meeting.</p>	
	<p><u>Finance Motion</u></p>	<p><i>Don Royal</i></p>
	<p>Don Royal raised the motion: That the changes to the conduct and management of DTEs accounting procedures recommended by our contracted business consultant/bookkeeper, Bree Nurse, in her email of 2nd may be adopted immediately. Her recommended are in brief:</p> <ol style="list-style-type: none"> 1. That members of the Finance Committee who do not contribute be asked to resign, to that tasks of the Committee be asked to resign. 2. That the director sitting on the Finance Committee be asked to resign, and 3. That Cloud Business Consulting & Bookkeeping carry out all the bookkeeping and accounting work for DTE with the delegated assistance of DTE volunteers. <p>Kristen Joy requested to read Bree's recommendation in full without Don's interpretation. Robin Mac Pherson wanted it to be sent to members to read themselves. David Cruise offered to read it at the meeting and this was rejected.</p> <p><u>In support of the motion:</u></p> <p>Marty Schwarz: Bree has tried to give direction but that direction has not been followed. Payments were cut, signed and reconciled by someone not authorised to do so. No organisation does all three procedures. If this new arrangement does not work then it can be changed at a later date. He won't vote for the FC because of its history, that his advance payment was approved by 4 directors was held up due to the Finance Committee actions, this meant he had to drive for 20 hours straight to the site and this resulted in four, nineteen year old men being left on site with no food or assistance. Troy Reid: Asked his colleagues for a directive about the approval going into a personal account, once Bree approved it, then he and Kate tried to process it but the payment was held up by David Cruise and then Don Royal detracted his approval for the full amount to be transferred.</p> <p>Don Royal: Bree wants only those who input data into zero to be on the Financial Committee she is not interested in the other administration aspects. The current process is confusing, frustrating and leads to dysfunction.</p> <p>David Cruise: We are only talking about the work of feeding information into zero. All</p>	

the other administration matters can still be carried out by those who are doing it now.

Denise Banville. Bree has spoken with FC members individually and wants data put into zero in a certain way. Her requests have been ignored. She has found them (the FC) excessively difficult to work with and wants processes and procedures in place for bookkeeping and also to give training.

Scouce: Respects Jimmy Schimwell who said if a person accepts payment from DTE they shouldn't be on the FC.

Objections

Robin Mac Pherson: Point of order. The finance Committee is under the jurisdiction of the OC. We should all get to view Bree's report and not cherry pick aspects. This should not be a Board's decision, it should be left until the Special General Meeting that is coming soon and let the members decide. Bree is a contractor to the Coop and not the Board. We are being asked to acquiesce to a recommendation that members have not seen.

Ian Hales: This is a serious matter that should be discussed fully and thoroughly, this has been rushed. Does not understand the statement about those on the committee who doesn't contribute to the Finance Committee. The FC has been in operation less than one year and needs time to allow time for it to work effectively. It is disrespectful to people like Troy Reid who has put an enormous amount of time into it and we can remove the related conflict of interest. Bree has only given one night of training, give people a chance. This is too big an issue and emotions are too high and should be deferred to the General Meeting that is coming up soon

Kate Shapiro: This has been massively rushed through. Bree is a contractor and a paid person. Her costs have been ramped up and now heading up the Finance Committee who now is dictating her financial terms and conditions. Instead of being in the employment of DTE she is now directing it. None of Bree's complete recommendation has been circulated with enough time to give serious discussion. If FC members do something wrong you don't remove them you get them to step aside so for their particular point they are not involved in the authorisation, decision and reconciliation that pertains to them.

Fulvio Geradi: If Bree does the work we are looking at 30 to \$40,000. The conflict between FC members was a misunderstanding, he and Malcolm are now working together. That a person with an investment to destroy the committee will benefit from taking over the FC. I have asked for training and have not received it. I have not seen any of the work that the White House has done, and it is probable that they will create more work.

Mark Rasmussen: This vote means that Ian Hales cannot be on the Finance Committee and he can't vote for that. As the recommendation stands only Fulvio and Malcolm who works in data entry can remain on the finance committee.

Troy Reid: Committee does a lot more than bookkeeping and accounts it does a lot of administration. The problem is Bree hasn't been working with the FC, she sent an email castigating Fulvio on his data entry. It is unclear the relationship between Bree and the FC as it has been flipped in that it should be Bree answerable to the FC. Has a problem with Bree wanting to advocate her being a facilitator of the FC and this decision should go to the members. Bree's recommendation talks about Troy saying he should resign but does not use his name so that leaves him unprotected from discrimination. Thinks Bree should attend the Board meeting to explain her position on who should be on the FC.

John Reid. DTE is a small organisation and should do their own bookkeeping providing that whoever is doing the data entry should not do their own or friends accounts.

	<p>Aaron Shipperley: The members have made up their minds so can we just get on and vote.</p> <p>Don Royal raised motion in full. Troy Reid objected and raised an amendment: to move the issue to a special general meeting. Seconded by Kate Shapiro: Vote 4 against, 3 in favour. Motion Failed Don's motion: Vote: 3 against, 4 in favour. Motion Carried.</p>	
6	<u>Assett Management</u>	<i>Mark Rasmussen</i>
	Richard Woodgate has decided to have time out and wants to hand over the asset management to DTE. Mark Rasmussen will take over asset management. No objections.	
6	<u>Summit 17 & 18 June</u>	<i>Robyn Mac Pherson</i>
	Robin Mac Pherson seeks a budget of up \$5000 to cover costs of food, transportation of people to site and venue booking. Robin will manage the budget for the weekend delegate village coordinators and department heads to manage the space. He wants someone from every department to speak and especially new and up and coming people. He is still looking for a venue, Mark Rasmussen: CC need to see the proposal. Kate Shapiro moved the motion for up to \$5000 funding be granted for the Summit, Marty Schwarz seconded. No objections, passed by consensus.	
7	<u>Excessive numbers on site pre-ConFest</u>	<i>Ian Hales</i>
	Ian Hales: Arrived on site 5 days on site before ConFest and each day the number doubled. There should have been a maximum of 300 people on site, however, there was 500 on site. How did they get in and did they pay. Marty Schwarz: Need more facilitators to manage the volunteers. Only 250 people were approved. Basically we had people standing around and when asked to do something. they disappeared when they realized the lack of control DTE had. Mark Rasmussen: 250 people already on site then 50 at market then 150 Village People. Then the Hub cooks for all those people. Kristen Joy: This is the year of the gift horse, without numbers she could not ascertain who was supposed to be on site or not. Coral Larke: Experienced two types of volunteers, those actively seeking to help because they weren't given work to do and the other extreme of those who wouldn't pick up their own dishes to be cleaned. Due to not filling in the correct form her name wasn't listed for early entry, however, was waved in regardless by gate keepers with no check. She saw other unlisted people allowed in also. Gate keeping is a tough job when facing down a person wanting entry under their own terms, it needs an assertive person for the job. Peter Tippit: Friend waved in who left it too late to get a volunteers pass.	
8	<u>Organising Committee Budget</u>	<i>Troy Reid</i>
	Do people understand that the Board is a non executive board? That operations of the cooperative are supposed to be done by the Organisational Committee. It requires the Board to do what is stated in the rules and that is to make sure that the committees operate. To enable them is to give them a budget and auditing process, to make sure that those who attend 3 out of the 5 meetings are eligible to vote. The CC worked well when enabled by the Board and the OC should be given the same support as the CC. The OC are there for the day to day running of the cooperative plus other things of the CC. The oversight is done by the Board. Peter Tippit: Supports the OC but doesn't think throwing money at the OC will make it work. Troy Reid: On the 18 th August he put together a comprehensive budget for the OC which is responsible to pay operational costs outside of ConFest. That the OC has \$23000 unspent money. It means that instead of 7 people making decisions, 20 people should be making decisions. This Committee is being held up by the Board who is doing the work of the OC. Robin Mac Pherson: Board should be on top on this, in that the constitution the OC is referred to 35 times. That a meeting has already happened and the money has been approved. So now it needs to be released so they can go about their business Ian Hales: the OC	

	<p>should be operating in the manner is should be and the Board has a responsibility to make sure that it does and support that work. It relieves the Board of unnecessary work. Marty Schwarz: This should not be proposed by one director but by the OC members themselves. Mark Rasmussen: Plan B, if work and responsibilities are not carried out that the Board takes over. Peter Carty: If the board says that the OC won't work then it will never get to work, just get out of the way and allow it to function. Peter Tippit: The OC should do the day to day organizing; meeting dates, paying bills, clearing up communication, Robin who works on the websites tasks him when the OC meets, this is an indicator that it is not functioning, it is getting there, but believes that the OC should ask for the money. Kristen Joy: For a decade the CC did not function because it was not allowed to function and now it does. So the OC will work too with the right support. Troy Reid: Proposal: For the Board to release the money into the OC custody, that it be granted a budget for up to \$23,000 to function up to the end of the financial year, to fulfill its obligations under the rules. Kate Shipiro Seconded, Those against 3, Those for 4, Motion carried.</p>	
9	<u>Amount for catering</u>	<i>David Mac Donald</i>
	David Mac Donald request for catering costs of \$250 to the end of the financial year David Mac Donald moved the motion, Kate Shipiro seconded. Passed by consensus.	
11	<u>Infrastructure Purchases</u>	<i>Marty Schwarz</i>
	Request for 2 secured storage containers for infrastructure. One for tools and one for Marks equipment. Will get a quote and present to DTE.	
12	<u>Police Insurance Claim</u>	<i>Marty Schwarz</i>
	Claim needs to be done ASAP for Bylands. Denise Banville: Has done the paper work but cannot send it in until she gets the police report. Two people need to go to the police to one to make a report and one as a witness. Denise needs to go to site for another matter and so can carry out this function.	
13	<u>Debrief</u>	<i>Ian Hales</i>
	Ian Hales: Need to learn from the recent ConFest and not repeat same mistakes, wants villages and groups to list what went right, wrong and what can be done better. Wants the debrief to be more for everyone and not just for the directors. Toilets needed improvements this year and we should be able to discuss that as well. Marty Schwarz: The purpose of the Summit is for that reason, it is better that it is done there. We want to know who is an outstanding volunteer etc. Robin: has placed a suggestion box with a link to the website for a post festival reporting system, so that people can use that forum	
14	<u>Debrief of packdown,</u>	<i>Marty Schwarz</i>
	Marty Schwarz: All starposts were removed. Tinyville did not pack down. Much rubbish was left behind in family which was the worst offender with nappies shoved under branches and poo left in portaloos. Silent disco didn't pack up their tarps. Someone removed 6 locks and chains on various gates. Some car keys were not handed back and now a car is left with its windows open, it has rained. Sullage toilets need to be filled in. Special thank you to Gypsie and Polly for their cleaning up. Marty's car window was cracked by a volunteer, Kate suggested that he get a quote and submit it for DTE to reimburse. Mark: wants a working bee to further the pack down. Kristen: Please send Kristen Joy the report, it is her job is to converse with Village Coordinators.	
11	<u>Next Meeting Date & Time Confirmation</u>	
	- Confirmation of next meeting publication on dte.org.au	

Moving DTE forward in regard to Financial Processes.

Tue, May 2, 2017 at 9:50 AM

To: directors@dte.org.au

Welcome back from another ConFest,

I have been quite over the last few weeks as everyone has been busy with ConFest so I have taken the time to give much thought on how we can move DTE forward in regard to the financial processes. It will come as no surprise to you all that DTE is an organisation that is very much out of the box, although I am enjoying the challenge. DTE certainly makes me think, there are always more factors than normal to take into account when working through what will be best for the organisation.

When I was first appointed I was asked to work with the Finance Committee to get some sound financial processes in place. Also I was asked to use the volunteers where ever possible to keep costs at a minimum. At first I thought that this would be workable but after experiencing it for the last few months I would like to inform all the Directors that the current finance committee is not working. The issues are –

1. There are currently 2 members on the committee that DO NOT contribute towards the financial tasks of DTE. I recommend that these members be asked to resign from the committee.

It is important to clarify some things here and please, if you feel my assumptions are incorrect let me know. The Finance Committee is a committee which was put together to allow volunteers, of capable financial skill, to carry out the financial administration tasks of DTE. I do not understand why they are on the committee if they are not carrying out any financial tasks. I also see it that I am directly answerable to the board and as part of my role I am to oversee the finance committee. I am not answerable to the finance committee but they are answerable to me. This is something I want to clarify as I have been asked by several people which way is it, am I answerable to the finance committee or are they answerable to me. I would like this clarified so going forward there is a clear chain of command – so to speak.

2. There is still a director sitting on the finance committee, carrying out financial tasks as well as director's roles. This creates a conflict of interest and poses a risk to DTE AND the director. There is also an issue here where this director has too much on their plate which has at times lead to issues such as untimely payment of bills. Finances is an area that needs particular focused oversight. Something which is a big ask of any volunteer let alone a volunteer whom is overseeing lots of other areas of DTE as well. Also if a volunteer was to oversee the finances I would strongly recommend it be someone with the required expertise. Although I would like to point out here that this person has given a great deal of their time to DTE and this must be commended and gratitude given. Having said that I think it is time to take this burden from the director. I recommend that this director be asked to resign from the finance committee.

3. This leave me with 2 participating finance committee members. You are all aware that there has been a break down in communications between these 2 people. This, I have come to learn, is part and parcel of DTE. Having such a wide ranging group of people and personalities it is understandable, so we need to accept this is somewhat of a status quo in DTE and once accepting it, we can work with it. These 2 members both have financial skills, to varying degrees, that they are willingly offering DTE. I enjoy working with both of them and do not want DTE to lose either of them. So in dealing with this issue I need to move onto my next recommendation and my main one –

I would like to take over the full financial process of DTE with the long term intention of having the volunteers undertake as many financial tasks as possible. I would hope well before the next Autumn ConFest we will have a workable finance committee up and running. I am suggesting this as I tied to work with what was already in place but it is not workable. I would like to do this so we can get the procedures in place and then documented. DTE is very fortunate to have people involved that are willing to, not only help with this, but have experience in the industry. You have 2 retired accountants that I will draw on to look over and help put together written financial policies and procedures. Plus all the other people on the finance committee and Board of Directors that can offer input and do some

proof reading. Between us all, if we have an action list to work through, I know we will do it well.

What I am really suggesting is let me **centralise everything, organise it, delegate it out and then oversee it**. The point being - Centralise everything then move tasks out to volunteers once we know things work well. Also I can conduct the appropriate training so we can ensure the integrity of the financial information of the organisation. In point 3 above I have said I have 2 people not communicating which does not mean we can't utilise their skills and enhance them with some training. But how I see this working is that I need to be able to delegate tasks to them that do not require communication between them.

People need to have processes to follow when undertaking tasks but also ownership is important as well. This links to morale. For example how can anyone have a sense of accomplishment when they have their work changed without consultation or they have their roles undermined as other people try to undertake the same task but in very different ways. This also adds to confusion on processes with the DTE community as a whole. I already have tasks in mind for these 2 people that do not require them to communicate with each other. If they have the understanding that they are only to do what is tasked to them then that will make my job much easier.

I did warn you all that there is going to be no quite time this year. We are going to utilise it to get structure in place!!

So to start with could you please let me know if any of you have any queries regarding my recommendations. Then could you please discuss these at the meeting on Thursday. Then let me know the outcome.

If the outcome is that I can take over, the first thing I will do is recommend a set of procedures for ongoing payments. I will also get my staff member (Cheaper rate) to get stuck into the budget receipts. To be honest I have no idea at the moment what receipts have been collected and where they are. Yes I need to follow it up but as usual I have to follow up with several people – this being an example of an inefficient use of my time. Next year I will know whom is doing what and when. AND more importantly so will everyone else in the community.

Thanks for your time.

If you have any queries regarding this matter please don't hesitate to contact me.

Kind Regards

Bree Nurse