



## OTA Policies and Procedures

*Updated January 2012*

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# **I. OTA Code of Ethics**

The OTA Code of Ethics is a statement of the common values of this Association. It is to guide us in the decisions we make as businesses and individuals and to assist us with our responsibilities to the principles of organic agriculture and ethical business practices.

## **OTA's Mission**

To promote and protect the growth of organic trade to benefit the environment, farmers, the public and the economy.

## **OTA's Core Values**

We, as members of OTA,

- Have established organic trade on a foundation of common organic standards
- Work in harmony with the environment, promoting sustainability
- Recognize the need for organic agriculture to be economically viable
- Work to protect the diversity of life
- Recognize the interdependence of all parts of the organic community
- Understand that organic farms are the foundation of the organic industry
- Seek out and use whole system approaches to agricultural and business practices
- Support the human right to knowledge and choice in the marketplace

## **OTA Code of Ethics**

As members of the Organic Trade Association, we have responsibility to our industry, customers, people and the Association. We strive to:

- Maintain the highest standards of business conduct by using only legal and ethical means in all business activity.
- Actively promote and encourage the highest level of integrity within the organic industry.
- Cooperate in every reasonable and proper way with other Association members and work with them in the advancement of the organic agriculture and the organic industry.
- Be fair and respectful to employer(s), employees, associates, competitors, customers, the public, and all business or professional relationships.
- Adhere to honesty in advertising and in all representations to the public concerning organic agriculture and products.
- Support the establishment of an entire production, processing and distribution chain which is both socially just and ecologically responsible.
- Commit to the development and use of the highest standards and practices for organic production, processing and handling, using OTA's American Organic Standards as a guidance document.
- Observe all state and federal laws and international regulations pertaining to organic production, processing and handling.
- Represent OTA, its positions, policies and members without rancor. Support the Association, and the industry, by participation and contributing to effective change.
- We are in agreement with OTA's Core Values and declare that we will make every effort to uphold this Code of Ethics.

**All OTA members must sign this form application for membership.** If there are legal or other restrictions that prohibit an OTA Associate Member (non-voting) from signing this form, a signed statement declaring your agreement with OTA's Core Values and the intentions expressed by the Code of Ethics, and the constraints imposed on you must be sent with your membership application.

*Revised October 2010*

## **II. Code of Ethics Dispute Resolution Procedures**

### **Oversight**

The Executive Committee (Committee) of the Organic Trade Association (OTA or Association) is charged with being responsible for ensuring that Trade Members of the OTA practice business in a manner consistent with the Association's Code of Ethics (Code), as required by the By-Laws of the OTA. If any Member of the Association believes that a Trade Member of the Association is currently in violation of the Code, they may bring it to the attention of the Committee within the procedures detailed below. The Committee is to assist Members in understanding the Code and how, if necessary, a Trade Member needs to change their business practices to be consistent with the Code.

Matters that should be adjudicated or resolved in a governing authority (e.g. courts of law, the certification agent or the USDA) will not be considered by the Committee until resolved elsewhere.

### **Step 1: Assisting Members with Concerns and Compliance**

A Member of the Association (hereafter called the Concerned Member or CM) who is concerned that a Trade Member is in violation of the Association's Code of Ethics should contact the Executive Director of the OTA. The Executive Director will informally review the issues regarding the Trade Member's business practices.

The Executive Director (ED) informally reviews issues raised by a CM, or Executive Committee. The ED gathers information and clarifies the issues and may make one of two informal determinations:

- A. A violation is occurring. If, in the ED's opinion, the Trade Member is using business practices inconsistent with the Code of Ethics, the ED will informally contact the Trade Member to give them guidance regarding the Code of Ethics as well as how they should alter their business practices in order to be consistent with the Code.

If the Trade Member alters their business practices accordingly, the matter is closed. The ED will informally contact the CM and advise them that the issue has been resolved.

If the ED is unable to resolve the issue with the Trade Member, s/he refers the issue to the President as a formal complaint. The ED will informally contact the CM, tell them that the Trade Member is being investigated, that all information pertaining to the matter is confidential and that the CM will be notified when the matter is resolved with the Trade Member.

- B. No violation is occurring. If, in the ED's opinion, the Trade Member is using business practices consistent with the Code of Ethics, the ED will informally contact the CM and give them guidance as to why s/he has come to that conclusion. If the CM is satisfied, the matter is closed. If the CM is not satisfied, the Association will provide assistance to the CM and Investigant in obtaining mediation services pursuant to the Association's mediation policy.

## **Step 2: Mediation**

The Concerned Member and the Trade Member should attempt to resolve their differences through mediation. If, after mediation, the CM is still unsatisfied, the CM should file a formal complaint with the Executive Director.

## **Step 3: Formal Complaint**

When the Executive Director receives a formal complaint, s/he notifies the Trade Member (hereafter referred to as the Investigant), with a copy to the President, in writing and sent in a manner that provides for a receipt for the letter. The ED also notifies the Concerned Member in writing that the complaint has been received, with a copy to the President, in writing and sent in a manner that provides for a receipt for the letter. Both letters will contain a statement regarding the requirement for confidentiality.

The President appoints a Panel of Investigation (Panel) consisting of four to six people, all of whom are members of the Board of Directors. In addition the Executive Director will serve on all Panels. The President will also appoint, from the appointees to the Panel, a Chair of the Panel who shall preside over meetings of the Panel.

The Panel investigates the complaint in a timely manner (under normal circumstances defined as forty-five calendar days), keeping the President apprised of progress. The Panel must have agreement of at least two-thirds (2/3) of its members in order to take an action. In the event that there is not agreement of at least two-thirds (2/3) of its members, the Panel automatically takes no action (option A.1 below). Actions can include:

- A.1. No action, if the Panel concludes that the Investigant is conducting business in a manner consistent with the Code of Ethics. The matter is then closed.
- A.2. Notification to the Investigant, in writing, that in the opinion of the Panel the Investigant is conducting business in a manner inconsistent with the Code of Ethics. Further, the letter is to convey information regarding actions the Investigant needs to take in order for their business practices to be consistent with the Code.

If the Investigant takes the necessary actions in order for their business practices to be consistent with the Code of Ethics, in the opinion of the Panel, the matter is closed. This must be done within a reasonable time frame; the Investigant should provide a written list of actions with timeline for completion to the Panel.

If the Investigant refuses to take action in order for their business practices to be consistent with the Code of Ethics, in the opinion of the Panel, the Panel then recommends to the Board of Directors at their next regularly scheduled meeting that Investigant's Trade Membership in the Association be revoked. The panel may recommend that the inconsistencies between the business practices of the Investigant and the Code of Ethics be publicly disclosed. Such disclosure will be at the sole discretion of the Board of Directors.

The Investigant is notified in writing that a recommendation for revocation of their membership will be forwarded to the Board of Directors at their next meeting. The Investigant is advised in that letter of their right to appeal.

If the Investigant appeals the findings of the Panel, they must do so within ten working days, in writing, to the Executive Director. The appeal must contain information as to why the Investigant believes their business practices are not inconsistent with the Code of Ethics. The Executive Director then forwards the appeal to the Panel and the Executive Committee of the Association (ExCom). In a joint session the Panel and the ExCom reviews the appeal and the information contained therein. The joint Panel/ExCom must have agreement of at least two-thirds (2/3) of its members in order to take an action. In the event that there is not agreement of at least two-thirds (2/3) of its members, the joint Panel/ExCom automatically takes no action (option B.1 below). Actions can include:

B.1. No action, if, after reviewing the appeal, the Panel and Executive Committee conclude that the Investigant is conducting business in a manner consistent with the Code of Ethics. The matter is then closed.

B.2. Notification to the Investigant, in writing, that in the opinion of the Panel and Executive Committee, following review of the appeal, the Investigant is conducting business in a manner inconsistent with the Code of Ethics. Further, the letter is to convey information regarding actions the Investigant needs to take in order for their business practices to be consistent with the Code.

If the Investigant takes the necessary actions in order for their business practices to be consistent with the Code of Ethics, in the opinion of the Panel and Executive Committee, the matter is closed. This must be done within a reasonable time frame; the Investigant should provide a written list of actions with timeline for completion to the Panel and Executive Committee.

If the Investigant refuses to take action in order for their business practices to be consistent with the Code of Ethics, the Panel and Executive Committee will then forward to the Board of Directors at their next regularly scheduled meeting

the recommendation that Investigant's Trade Membership in the Association be revoked. The panel may recommend that the inconsistencies between the business practices of the Investigant and the Code of Ethics be publicly disclosed. Such disclosure will be at the sole discretion of the Board of Directors.

#### **Step 4: Notification to Concerned Member**

If a Concerned Member filed a formal complaint, the CM will be notified at the time that the matter is closed the manner in which the matter has been resolved. No other notification will be given to the CM.

#### **Confidentiality**

The process of determining whether a Trade Member is practicing their business in a manner consistent with the Association's Code of Ethics is completely confidential. Any party to any investigation regarding such a determination (including but not limited to panel members, staff, Investigant and Concerned Member) agrees, by their participation, to maintain that confidentiality. A breach of confidentiality may result in partial information being used to gain a competitive advantage over the investigated party. Only those people who need to know about the investigation are to be informed. A breach of confidentiality undermines the purpose of the Committee and may cause an investigation to be summarily halted. A breach of confidentiality will be considered a violation of the ethics of the Organic Trade Association.

*Approved March 2002*

### **III. OTA Policy on Conflict of Interest**

Statement of General Policy: This policy recognized that both real and apparent conflicts of interest or dualities of interest (hereinafter referred to as "conflicts") sometimes occur in the course of conducting the associations' daily affairs. A conflict refers only to personal, proprietary interests of the persons covered by this policy and their immediate families and not to philosophical or professional differences of opinion. Conflicts occur because the many persons associated with OTA should be expected to have and do in fact generally have multiple interests and affiliations and various positions of responsibility within the industry. Sometimes a person will owe identical duties to two or more organizations or businesses conducting similar activities.

Conflicts are undesirable because they potentially or apparently place the interests of others ahead of the association's obligations to its purposes and to the industry's interest. Conflicts are also undesirable because they often reflect adversely upon the persons involved and upon the organizations or businesses with which they are affiliated, regardless of the actual facts or motivations of the parties. However, the long-range best interests of the corporation do not require the termination of all association with persons who may have real or apparent conflicts if a prescribed and effective method can render such conflicts harmless to all concerned.

Therefore, the association's policy shall be to require that all actual or apparent conflicts be disclosed promptly and fully to all necessary parties and to prohibit specific involvement in the affairs of the association by persons having such conflicts.

Coverage of this Policy: This policy shall apply to all members of the Board of Directors, its committees, and association officers, members of task forces, agents and employees of the association, including independent contractor providers of services and materials. The association's management shall have the affirmative obligation to publicize at least annually this policy to all such parties.

Disclosure of all Conflicts: All persons to whom this policy applies shall disclose all real and apparent conflicts which they discover or have been brought to their attention in connection with the association's activities. "Disclosure" shall mean providing promptly to the appropriate persons a written description of the facts comprising the real and apparent conflict. An annual disclosure statement shall be circulated to all persons to whom this policy applies to assist them in considering such disclosures, but disclosure is appropriate whenever conflicts arise. The written disclosure notices of conflicts shall be filed with the executive director of the association or any person designated by him or her from time to time to receive such notification. The receipt of disclosure notices shall be reported for the record in the minutes of a meeting of the Board of Directors. The actual disclosure statements will be kept confidential unless the individual submitting the disclosure statement agrees that the information provided can be made available to necessary parties.

Proscribed Activity by Persons having Conflicts: When an individual director, officer, agent or employee believes that he or she or a member of his or her immediate family might have or does have a real or apparent conflict, he or she should, in addition to filing the disclosure notice abstain from making motions, voting, executing agreements or contracts, or taking any similar direct action on behalf of the association. Any person having a real or apparent conflict of interest, as described, must be absent from any discussion, vote or decision regarding said conflict. When any member requests in writing, or upon its own initiative, the Board or the Executive Committee at any time may require resolution of any real or apparent conflicts by using the procedures established in the bylaws, the mediation policy or the policies of employment of the Organic Trade Association.

*Approved September 1998*

### **Annual Disclosure Statement**

Do you provide consultative services to members of the Association when such services are not rendered as a membership service of the association?

If you are an independent contractor providing services and materials to OTA, have you signed a contract which clearly states the parameters of the service you provide to the association?

If you provide similar services to OTA members that you provide to the association, have you included a list of your clients?

Do you or your immediate family engage in any other activities that could possibly be regarded as constituting a conflict of interest, including outside activities and the disclosure or use of association information for personal profit or advantage of yourself or anyone else?

Have you or your immediate family accepted gifts, gratuities, hospitality, or excessive or unusual entertainment that might tend to influence your judgment or actions concerning business of the association or its membership?

Do you or your immediate family have financial interests in a company with which the association is doing business?

Please specify any other real or potential conflicts of interest:

Signed \_\_\_\_\_ Date \_\_\_\_\_

Question posed in 990 Tax Filing:

Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any officer, director, trustee, or key employee?

(Please identify all relationships below)

Signed \_\_\_\_\_ Date \_\_\_\_\_



## **IV. Policy for Use of the OTA Member Logo**

OTA Member and Associate Member logos are available for download from the Members Only pages of [www.ota.com](http://www.ota.com).

OTA's Member Logo is a trademark and the property of OTA. However, OTA grants a limited license to use the OTA Member Logo to its members in good standing. Only members who have maintained their membership in OTA can use the Member Logo. Members are not authorized to use any other logo or trademark that is the property of OTA.

The use of the OTA Member Logo is merely an indication of membership in the Organic Trade Association and must not be used in any way to imply company or product endorsement or certification. Any and all use of the membership logo must cease if membership in the Organic Trade Association is terminated. The OTA Member Logo may be used on the member's website, promotional materials, advertising, or product packaging. The member must send OTA a complete image showing how the OTA Member Logo will be used. No other use of the OTA Member Logo is permitted without specific written approval of OTA.

The member agrees at all times to maintain a high standard of business practices and to abide by the OTA Bylaws and Code of Ethics. OTA reserves the right to withdraw permission to use the OTA Member Logo upon written notice. Following such notice, the Member agrees to cease use of the licensed logo. In the event the Member fails to cease use following notice, or continues to use the logo despite termination or lapse of membership, OTA reserves all legal remedies for Member's unauthorized trademark use, and Member agrees to pay all costs and reasonable attorney's fees incurred by OTA to enforce its rights.

Members must be sure to choose the correct "Member" (for Trade Members) or "Associate Member" Logo. Trade Members may use the French/English logo in situations where bilingualism is advantageous. The OTA member logo should be used in the following colors: teal (PMS 329), black or white. The typeface and graphic elements of the logo may not be reset, altered or modified in anyway. All elements for the logo typeface and graphics must be clearly legible and recognizable.

The right to use the OTA member logo shall terminate and be revoked upon the member's failure to remain in good standing, in the event of misuse by the member as determined by OTA, or any other breach of this Policy for Use. Upon such termination and/ or revocation, the member will eliminate the use of the OTA member logo from all materials, products, and services.

Legal action may be considered against anyone violating the OTA Member Logo use policy.

*Revised February 2008*

## **V. Policies and Procedures for OTA Member Forums**

The purposes of OTA Member Forums are:

- To give organizational identity to, and build community among, groups of members with like interests
- To provide for networking among peers by offering opportunities for interaction
- To gather and distribute information relating to the specific area of interest
- To channel ideas and issues from the respective areas of interest to OTA
- To assist the board and staff in setting strategic priorities that reflect the diversity of the OTA membership
- To act as a resource and pool of expertise for staff, the board, and/or other members

### **ADVISORY ROLE**

Member participants may make suggestions to OTA staff and board and/or recommend the creation of a Task Force to more formally take up Member Forum concerns or projects.

### **REQUIREMENTS**

- Represent an area of interest that can sustain a long-term need and appeal
- Reflect an area of interest that is within the scope of OTA's mission
- Have a minimum of 10 members

### **ESTABLISHMENT**

Any OTA member may request the creation of a new Member Forum by submitting a request to the OTA Executive Director detailing the following:

- The specific area of interest not satisfied by existing Member Forums
- Expressed intent of OTA member companies wanting to participate in the proposed Member Forum
- An explanation of how OTA members will benefit from the establishment of the proposed Member Forum

The final decision for formation of an OTA Member Forum shall rest with the OTA Executive Director. Member groups that do not have support/approval from the OTA Executive Director will be granted a hearing with the Board Community Relations Committee, upon request.

Staff will undertake annual review to assess the need for continuation of each group-- based upon group activity and with group input-- and to determine whether new or different configurations are warranted.

### **RESOURCES AND FUNDING**

Member Forums will not charge fees to participate. Each Member Forum will have an OTA-sponsored list serve for communication among members.

## **LEADERSHIP**

Each Member Forum will be monitored by an OTA Staff Liaison, an OTA Board Liaison, and one or more self-identified member volunteer(s) may take on the role of Forum Facilitator.

### **Staff Liaison**

A staff liaison will be appointed to each Member Forum by the Executive Director and charged with:

- monitoring list serve communications
- scanning for issues that should be relayed to the OTA staff and/or board
- channeling information from the OTA staff and/or board to the Member Forum
- seeding the list serve with discussion items as necessary
- helping to drive action or organize task forces as necessary

### **Board Liaison**

Each OTA Member Forum will have a Board Liaison assigned by the Board Community Relations Committee in order to:

- reassure members that the board is listening and that they are being heard;
- enhance relationships and networking opportunities between the board and members;
- help inform discussions relating to the specific area of interest, when possible;
- be a resource for the Staff Liaison;
- assist the board in setting strategic priorities that reflect the diversity of the OTA membership.

The Board Liaison will be asked to represent their Forum's activity, issues and/or concerns by sharing a written or verbal update during full board meetings.

### **Forum Facilitator**

Forum Facilitators are individuals, identified in conjunction with the Staff Liaison, and charged with the following responsibilities:

- seeding the list serve with discussion items and facilitating dialog as necessary
- scanning for issues that should be related to the forum
- helping to identify issues that may warrant the creation of a task force, and working with staff to facilitate organization as necessary

Depending on the size of the forum, there may be one or more facilitators. Forum Facilitators will be asked to commit for a period of one year at which point they can continue for another year based on their interest and that of other participants wanting to take on greater leadership responsibilities.

## **ELIGIBILITY**

All OTA members may subscribe to one or more Member Forums at any point during their membership. Non-members may not receive list serve postings. OTA membership is a prerequisite to Member Forum participation.

## **ALIGNMENT**

Information about OTA's annual strategic objectives shall be communicated to the Member Forum; the staff liaison is responsible for keeping any group proposals within the scope of OTA's mission and objectives. The Member Forum participants are responsible for expressing their needs to OTA via the list serve or direct communication to staff. The staff liaison and the forum facilitators are responsible for environmental scanning that could bring group issues to the forefront.

## **ACCOUNTABILITY**

Member Forums are accountable to the OTA staff to show that they should continue to receive support in the form of list serve management. Otherwise, Member Forums are considered informal membership communities and the scope of their activities should not warrant authorization, or supervision outside of ensuring they are working within the confines of the association's policies and procedures. Member Forums will be evaluated and have the opportunity to self-evaluate.

## **SIZE**

At the time of establishment, Member Forums must have a minimum of 10 members. If membership drops below 10, OTA staff may recommend the dissolution of the group. Member Forums are not subject to maximum membership participation restrictions.

## **IN PERSON GATHERINGS**

Member forums may choose to meet in person at industry events where an OTA staff member will be present. This interest would be expressed on the list serve by a number of the members. Since the purpose of a forum is networking and information-sharing, forum gatherings are generally not meetings with a specific agenda or desired outcome. If there are topics from the forum that are in transition to a task force, then it would be appropriate for the participants to discuss the outcomes they need for the task force and other information listed on the Task Force Request Form. In those cases, the discussion should be facilitated by the staff liaison and/or a forum facilitator. The staff liaison and forum facilitators are responsible for ensuring that any information from a face-to-face meeting is posted to the list serve.

There is no budget for such meetings.

OTA is aware that its members often get together informally, when staff is not present. These meetings cannot be publicized or otherwise referred to as an "OTA meeting." Information and ideas from those meetings should be shared with the staff liaison, forum facilitators and other forum participants not present, via the list serve.

## **DISSOLUTION**

Each Member Forum will be evaluated on an annual basis and may be terminated if:

- The area of interest is no longer prevalent among OTA members
- There is not adequate participation to support the cost of the list serve
- The area of interest moves outside the scope of OTA's mission and strategic objectives
- The activities of the Member Forum are in violation of OTA Policies and Procedures

The decision to terminate a Member Forum ultimately rests with the Executive Director, after consultation with the Board's Community Relations Committee

*Approved March 2005*

## **VI. Policy and Procedures for OTA Task Forces**

A task force must represent at least one of the following purposes:

- To gather input on specific programs, issues, new initiatives, or overall strategic planning
- To convene an advisory group that would recommend a course of action to either the board or staff
- To consider a narrow subject within a broader topic area
- To focus attention and recommend service for a particular sector of the organic industry
- To accomplish a specified project/task, as needed, using OTA and/or participants volunteer time.

### **ADVISORY ROLE**

Task forces may make recommendations to OTA staff and board on policy issues, association programs and projects, and general association business.

Task forces should try to reach consensus. If consensus cannot be reached, the co-chairs may call for a vote, in order to present a majority and minority opinion to OTA.

### **REQUIREMENTS**

A task force must:

- Be time-bound
- Be task-charged
- Be outcome-focused
- Have a minimum of 5 members
- Support activities that are consistent with OTA's organizational mission and strategic objectives
- Have support and approval from the OTA Board of Directors and/or OTA staff

### **ESTABLISHMENT**

The board, or its committees, may convene Task Forces for issues that are within the scope of the board's role.

The staff may convene Task Forces for issues that are within the scope of the staff's role.

Any OTA member may request the formation of a Task Force by submitting a request to the OTA Executive Director detailing the following:

- An explanation of the specific purpose, case, or situation at hand requiring creation of a Task Force
- A proposed timeline and explanation of resources

- Expressed intent of OTA members wanting to participate in the proposed Task Force including an identified volunteer willing to provide initial leadership to the team

The staff, ultimately the OTA Executive Director, would make a determination about whether a Task Force should convene, and assign staff as appropriate. If the matter relates to business of the board, then the board shall make the determination.

## **RESOURCES AND FUNDING**

OTA shall allocate monies annually for the administration and support of Task Forces, so that new and compelling ideas/issues might be addressed. Task Forces will not receive any automatic funding, but may request financial and other support. Projects proposed by Task Forces that need funding and/or additional staff resources shall be reviewed by the Executive Director quarterly. Funds will be allocated based upon available resources, the need expressed by the group, and the strategic priorities set by the board. A Task Force requesting financial support from OTA must illustrate a compelling need regardless of whether it is a new or an established project. Ultimately the decision for resource allocation rests with the OTA Executive Director. In addition to requesting general OTA funds for implementation, Task Forces may also identify and raise special funding, such as project sponsorship, directly from other OTA members or other available sources. Task Forces may, if needed, have an OTA-sponsored list serve for communication among members.

## **LEADERSHIP**

Task Forces will have two co-chairs (board, staff, or member). At least one of the two leaders must be an OTA board or staff member. The board and/or the Executive Director shall appoint Task Force leaders.

Task Force leaders must complete the OTA Task Force Co-Chair Leadership Development session.

## **CO-CHAIR RESPONSIBILITIES AND EXPECTATIONS:**

### **1. Building the Team**

- Develop eligibility criteria for Task Force participation.
- Recommend an optimal range for the number of participants that will ensure the efficiency of the group. There is an absolute minimum of five (5) and a suggested minimum of seven (7).
- Recruit and select participants.

### **2. Managing the Task**

- Chart a course of action get to the goals. This of course will vary depending on the complexity of the task, but generally refers to assessing the overall task of the group, setting some intermediary success factors, and establishing a schedule of meetings and communications.
- Develop agendas and facilitate meetings of the task force.

- Ensure that the outcomes of the meeting are recorded and distributed to task force participants.
- Keep the Task Force on-task, and in alignment with OTA's mission and strategic objectives.

### 3. Minding the Resources

- Identify and raise funds, if needed, including requesting financial support from OTA or other members.
- Monitor the use of resources or any funds allocated to the task force.

### 4. Communicating Outcomes

- Be accountable to those who convened the task force. Share progress with other interested members.

### 5. Wrapping-up

- Guide the dissolution of the task force (once key issues are resolved, projects are finished, or resources are depleted). Bring closure to the group and help acknowledge volunteers.

In an existing task force, if a board or member at-large co-chair resigns, then a replacement shall be appointed by the board or the Executive Director (depending on line of accountability), in consultation with the remaining co-chair/leader. If a staff person needs to be replaced, the assignment will be made by the Executive Director.

## **ELIGIBILITY**

All OTA members and staff are eligible to serve on Task Forces. Non- members may, with approval from the OTA Executive Director, serve as advisors; otherwise OTA membership is a prerequisite to Task Force participation. At the time of establishment, the Task Force leaders will develop criteria for participation. Eligibility criteria may, among other things, include required previous experience, and specific time and/or task commitment moving forward. The criteria will be reviewed by the Executive Director, and/or the staff person responsible for the Task Force's program area if that staff person is not a Task Force leader. Final decision for size and selection of Task Force participants rest with the Task Force leaders. Concerns or complaints about Task Force selection criteria or decisions should be brought to the attention of the OTA Executive Director.

## **ALIGNMENT**

Task Force leaders are responsible to ensure the Task Force doesn't stray from its charge and remains aligned with OTA's mission and strategic objectives.

## **ACCOUNTABILITY**

Task Forces established by the board are accountable to the board. Task Forces established by staff are accountable to the staff. Task Forces established by member request are accountable to either the OTA staff or board depending on the charge of the Task Force. Accountability will be

clearly outlined upon establishment. Task Force participants will receive orientation materials clearly explaining responsibilities and expectations.

## **RECORD KEEPING**

At minimum, the record of any task force meeting must include:

- The name of the task force
- The name of the meeting co-chair or facilitator
- The date of the meeting
- The location or form of meeting (in-person, phone, web discussion, etc.)
- Who participated (names & affiliations) and task force members who are absent
- The topics discussed (brief)
- The agreements/decisions made
- Any votes taken

## **SIZE**

At the time of establishment, Task Forces should ideally have at least 7 members, but the allowed minimum is 5 members. Membership may not drop below this at any point. The Task Force leaders will recommend an optimal range for the number of participants that will ensure the efficiency of the group. Suggestions for maximum participation should be adaptable for the ongoing needs of the Task Force.

## **DISSOLUTION**

A Task Force will dissolve once key issues are resolved, projects are finished, or resources are depleted. If a Task Force is straying from its board (or staff) approved GamePlan, operating at a deficit, or in violation of any of OTA's policies and procedures, its status as a Task Force may be revoked. This decision ultimately rests with the Executive Director, or with the Board for a

Board-convened Task Force. At the time of Task Force establishment, the proposed timeline must include a dissolution date or clearly detail success factors that will signify dissolution. In the event that projects or initiatives remain incomplete beyond the proposed end date, a request for extension may be made to either the board or the staff depending on the nature of the work. All extension requests must include a modified timeline.

*Approved March 2005*



## **VII. Sector Council Operating Guidelines**

**Purpose and Functions:** OTA Sector Councils build community among groups of like members to provide ongoing opportunities for networking, leadership development, education, information development, and sharing. The Sector Councils are required to meet at least twice per year, once in-person, in accordance with the goal of identifying and communicating sector issues, ideas, and concerns to OTA staff and Board. Sector councils are not policy setting groups. If policy issues are identified within the sector, the council may go through the process of establishing a Task Force.

Each OTA Council must have an explicit statement of purpose.

**Establishment and Eligibility:** OTA will establish Sector Councils to serve the needs of any specific, cohesive community of interest related to the mission of OTA. Any OTA member may request the formation of a Sector Council by submitting formal documentation. The request to form an OTA Sector Council must be supported by at least seven current OTA members. OTA staff can help interested members identify potential participants in order to reach the critical mass needed for the application. The final decision for formation of an OTA Sector Council shall rest with the OTA Board at the recommendation of the Executive Director.

### **Sector Council Application Checklist:**

- ✓ We have identified at least 7 OTA members committed to participating in our Council.
- ✓ We have identified at least 1 member who will act as the primary OTA contact until officers are elected.
- ✓ We have reviewed the Council Operating Guidelines and agree to operate within the outlined requirements if the request for establishment is approved.

### **Sector Council Establishment Timeline:**

- Members may submit a Council Application to OTA's Executive Director at any time they have met the requirements and believe they are ready to establish a Council
- OTA's Community Relations Committee reviews the application at their next monthly meeting and decides whether they need more information or are ready to make a recommendation to the OTA Board.
- OTA's Board of Directors votes on the establishment of the Council at their next regular meeting.

Any OTA member in good standing, falling within the defined scope of the Council may join a Sector Council without discrimination.

**Roles and Responsibilities:** Sector Councils will have a dedicated OTA staff liaison. The OTA staff role will not negate the duties of elected council leadership. Sector councils will adhere to an officer election process occurring once two (2) years. Elections shall be held for the Chair, Vice-Chair and Secretary.

The Sector Council Chair will be required to prepare and submit, with the staff liaison's support, a bi-annual report to the Board. Also, an update at the Annual Meeting will be required.

The Sector Council Secretary will be responsible for the administrative and record-keeping needs for the council.

The Sector council will conduct at least one in-person meeting per year in conjunction with an industry event i.e. Policy Conference or either of the Expos.

**Resources and Funding:** Sector Councils will not charge any fees for participation. Each Sector Council will be allocated a general stipend by OTA, based on available resources, for administration and support of the council. Sector Councils may request to and raise funds on their own with the following provisions:

- 1) OTA will charge a small administrative fee of 10% for any projects originating from a sector council for any sector council sponsored projects.
- 2) Should the sector members decide to undertake a "project" the costs invested in the project for each sector member will not result in a reduction of support for OTA general funds (annual fund and membership dues). For instance, if a sector decides that each member will contribute \$10,000 for a specific project, that member will not reduce its support of OTA by \$10,000 (or any part thereof)

Sector Councils will receive incentives for the recruitment of new OTA members. Editorial space in OTA's Organic Report quarterly newsletter will be made available for Sector Councils. Council leadership will also be given a "Playbook" of resources and a mandatory anti-trust training seminar. During Policy Conference in Washington, DC, the Sector Councils will be allotted facility space for meeting and networking opportunities at no cost to them.

**Accountability:** Sector Councils are accountable to the Board. Accountability will clearly be outline at the time of establishment. Each Sector Council will be required to submit an annual report to the OTA Board on the outcomes of council meetings. They shall be responsible for record and bookkeeping of allocated funds. In addition, the councils will work with the staff liaison through the process of gaining and disseminating restricted funds.

## **VIII. OTA List Serve Rules, Etiquette and Information**

### **LIST SERVE RULES**

By joining and using OTA's e-mail list serves, you agree that you have read and will follow the rules and guidelines set for these discussion groups. You also agree to reserve list discussions for topics best suited to the medium. Other questions should be sent to the appropriate OTA staff person or e-mailed to [info@ota.com](mailto:info@ota.com).

As with any community, there are guidelines governing behavior on the list serves. For instance, violating antitrust regulations, libeling others, selling, and marketing are not permissible. Please take a moment to acquaint yourself with these important guidelines. If you have questions, contact the list manager noted in your welcome instructions. OTA reserves the right to suspend or terminate membership on all lists for members who violate these rules.

- Do not challenge or attack others. The discussions on the lists are meant to stimulate conversation not to create contention.
- Do not post commercial messages.
- Use caution when discussing products. Information posted on the lists is available for all to see, and comments are subject to libel, slander, and antitrust laws.
- All defamatory, abusive, profane, threatening, offensive, or illegal materials are strictly prohibited.
- Please note carefully all items listed in "List Serve Disclaimer and Legal Rules."
- Remember that OTA and other list serve participants have the right to reproduce postings to the list serves.

### **LIST SERVE ETIQUETTE**

- Include a signature tag on all messages. Include your name, affiliation, location, and e-mail address.
- State concisely and clearly the specific topic of the comments in the subject line. This allows members to respond more appropriately to your posting and makes it easier for members to search the archives by subject.
- Include only the relevant portions of the original message in your reply, delete any header information, and put your response before the original posting.
- Only send a message to the entire list when it contains information that *everyone* can benefit from.
- Send messages such as "thanks for the information" to individuals--not to the entire list. Do this by using your e-mail application's replying option (e.g. "Reply" vs. "Reply All") and typing in or cutting and pasting in the e-mail address of the individual to whom you want to respond.
- Do not send administrative messages, such as "remove me from the list", through the list serve. Instead, use the web interface to change your settings or reply directly to the "unsubscribe" email address provided at the end of each message. If you are changing e-mail addresses, you *do not* need to remove yourself from the list and rejoin under your new e-mail address. Simply change your settings.

### **LIST SERVE OPTIONS**

OTA's list serves offer the following options:

- Receive messages as they are contributed

- Receive messages as a digest- one daily message with all the contributions for that day
- Receive messages as a MIME digest – one daily message with all the contributions for that day in MIME format
- Receive messages as an index – one daily message with only the subject lines for that day
- Receive no messages via email – login to the web interface to view messages

Once you subscribe to an OTA list serve, you will receive a welcome message with information on accessing that list serves web interface. If you follow the link provided (or e-mail the OTA list administrator at [membership@ota.com](mailto:membership@ota.com) for the appropriate link), the following capabilities are available:

- Read messages
  - Search
  - Thread by Subject
  - Sort by author
  - Sort by Date
- Create messages
- Change Settings
  - Choose to see your own messages when they are distributed
  - Choose to receive a confirmation message after each of your contributions
  - Unsubscribe

Please note that if you are subscribed to more than one OTA list serve, you will have to make changes through each list's web interface.

## **DISCLAIMER AND LEGAL RULES**

OTA's Member Forum List Serves are provided to members as a service of the Organic Trade Association. OTA accepts no responsibility for the opinions and information posted on these sites by others. OTA disclaims all warranties with regard to information posted on this site, whether posted by OTA or any third party; this disclaimer includes all implied warranties of merchantability and fitness. In no event shall OTA be liable for any special, indirect, or consequential damages or any damages whatsoever resulting from loss of use, data, or profits, arising out of or in connection with the use or performance of any information posted on this site.

Do not post any defamatory, abusive, profane, threatening, offensive, or illegal materials. Do not post any information or other material protected by copyright without the permission of the copyright owner. By posting material, the posting party warrants and represents that he or she owns the copyright with respect to such material or has received permission from the copyright owner. In addition, the posting party grants OTA and users of these lists the nonexclusive right and license to display, copy, publish, distribute, transmit, print, and use such information or other material.

Messages should not be posted if they encourage or facilitate members to arrive at any agreement that either expressly or impliedly leads to price fixing, a boycott of another's business, or other conduct intended to illegally restrict free trade. Messages that encourage or facilitate an agreement about the following subjects are inappropriate: prices, discounts, or terms or conditions of sale; salaries; profits, profit margins, or cost data; market shares, sales territories, or markets; allocation of customers or territories; or selection, rejection, or termination of customers or suppliers.

OTA staff liaisons actively monitor the site but do not undertake editorial control of postings.

OTA reserves the right to terminate access to any user at any time.

These rules may be modified at any time by OTA.

*Adopted May 2005*

## **IX. OTA Member Appeals Policy**

OTA members may appeal any policy or position established by the OTA Board of Directors or its committees. Appeals may also be made on positions and policies recommended to the Board or Executive Committee by a Committee or task force prior to Board or Executive Committee approval.

**First Level of Appeal:** The first level of appeal is to the group that originated the policy or position at issue. (If an appeal is being made on a position or policy recommended by a task force that has already dissolved, the ED will reconvene the task force to consider the appeal). A member must file a written (may be an electronic version) appeal with the Chairperson of this group. The appeal must provide rationale for why OTA's policy or position is not in the best interests of OTA. The Chairperson will acknowledge receipt of this appeal in writing within 15 working days. The Committee or task force will consider the appeal at its next regularly scheduled meeting. The Committee or task force's decision on the appeal will be communicated in writing to the member within 5 working days of the Committee or task force decision.

**Second Level of Appeal:** The second level of appeal is to the OTA Board of Directors or its Executive Committee when authorized by the Board of Directors\*. The appeal must be in writing and must provide rationale for why the policy or position is not in the best interests of OTA. The OTA Board will acknowledge receipt of this appeal within 15 working days. The Board or Executive Committee will consider the appeal at its next regularly scheduled meeting. The Board or Executive Committee will give considerable weight to the advice of its committee or sector group in the matter. The Board or Executive Committee will communicate its decision on the appeal in writing within 5 working days.

**Fast Track Appeals Process:** In cases where a policy or position appeal has implications which are time sensitive and a special meeting of the decision-making body may be necessary, a member may request, in writing, fast track consideration of the appeal. The Chairperson of the group to which the member has appealed will make the decision for fast track consideration. The OTA Executive Committee may also authorize fast-track process for a committee or task force appeal. Either the Committee Chair, Task Force Co-Chair or the Executive Committee will set the fast track schedule for the appeal.

## **X. Rules for Integrity - Hearings and Appeals**

### **I. PURPOSE**

These rules are promulgated by the Association as an aid to the preservation of the integrity of the business dealings and of the relationships among the Association, its members who enjoy the benefits and privileges of the Association and members of the general public. They are designed to recognize rights to justice and define due process and the desirability of the orderly and expeditious conduct of hearings and appeals.

## **II. INTEGRITY OF PERSONS**

Any person, including any individual, corporation, association or other entity, who:

- A. violates the Policies, Bylaws, rules or regulations of the Association,
- B. deceives or wrongs the Association or another person in any matter in which the Association has any interest,
- C. violates any state, provincial, federal or other statute or regulation relating to the organic products industry,
- D. otherwise conducts himself or herself so as to cast doubt on the integrity and the desirability of the continuation of his or her association as a member or enjoyment of the privileges of the Association, may be suspended or expelled from membership; denied any or all privileges of the Association; assessed the reasonable costs of investigating or hearing such matters; and subjected to such other lawful sanctions as are appropriate to the circumstances, after notice and an opportunity to be heard; as hereinafter provided.

## **III. INVESTIGATION AND ACTION BY THE EXECUTIVE DIRECTOR**

Upon receipt of information raising any doubt as to the integrity of any person or the integrity or propriety of any business practices or dealings of a member, the Executive Director shall cause such matter to be investigated. If, in the course of the investigation the Executive Director forms the opinion that the interests of the Association so require, the Executive Director, with the written concurrence of a majority of the Executive Committee, may initiate steps to resolve such doubts as to the integrity or propriety and to impose such lawful sanctions and to take such action as appears to be appropriate to the circumstances. Such steps may include one or more of the following:

### **A. Administrative Action**

With such concurrence, the Executive Director may notify any person whose conduct is believed to have cast doubt on his or her integrity and the desirability of continued association as a member or enjoyment of the privileges of the Association, that, for reasons stated,

- (a) such person is suspended or expelled, if a member; denied any or all of the rights or privileges of the Association, including the right to apply for ensuing annual membership; assessed the reasonable costs of investigation or hearing; and subjected to such other lawful sanctions as seem appropriate to the circumstances.

Each such action shall take effect thirty days after the giving of such notice, except as to any sanction, refusal, expunction or correction set forth in the notice from the Executive Director to which specific objection is made by such person in writing received by the Executive Director before the effective date thereof, and which writing requests a hearing in the matter of such objection.

The hearing shall be held as promptly as reasonably practicable before a committee of three impartial persons from the membership appointed by the President, who shall make written findings of fact and recommendations for sanctions and other actions, if any, and reports the

same to the Board for final disposition. The President shall designate one of the committee members to chair the committee.

#### **B. Formal Charges**

With such concurrence, the Executive Director may file charges with the Board setting forth the conduct of a person alleged to cast doubt on his or her integrity and the desirability of continued association as a member or enjoyment of the privileges of the Association, and setting forth the sanctions and actions the Executive Director believes are appropriate to the circumstances.

As promptly as reasonably practicable after the filing of such charges a hearing in the matter shall be held before a committee of three impartial persons appointed by the President who shall make written findings of fact and recommendations for sanctions and other actions, if any, and reports the same to the Executive Committee for final disposition.

#### **C. Suspension Pending Final Disposition**

Pending the final disposition of any action initiated under this section, the Executive Director, with the aforementioned concurrence, may suspend any or all of the rights or privileges of the person, except the right as a member to vote or to receive notice of any meeting, for the balance of the calendar year, and may refuse membership renewal pending a formal decision.

#### **D. Limited Administrative Action Affecting Certain Non-Members**

With such concurrence, the Executive Director may notify any non-member that such non-member is denied, for reasons stated, any or all of the privileges of the Association and is entitled to request reconsideration by the Executive Director in the matter of such denial, if the Executive Director receives within fifteen days after the giving of such a notice, a request in writing from such non-member for reconsideration with all of such member's reasons for reconsideration. The Executive Director shall consult with the Executive Committee as promptly as reasonably practicable and issue a written determination as to the request for reconsideration. There shall be no right of appeal from his or her final decision in the matter.

If, in the opinion of the Executive Director, such a non-member has unquestionably separated himself or herself from the organics industry and there is evidence that such non-member cannot be reached by mail, the Executive Director may deny, without written notice, such non-member any or all of the privileges of the Association.

The Executive Director shall report to the Executive Committee the disposition of each action initiated in accordance with this Paragraph.

### **IV. HEARINGS**

Hearings in any matter shall be held only after not less than thirty days notice given by the Executive Director. Notice shall be given to each person entitled to the hearing and to each other person who, on the records of the Association, appears to have an interest which might be adversely affected by the final disposition of the matter. The notice shall specify the matter to be heard, the sanction or sanctions and action at issue, and the time and place of the hearing, and shall be accompanied by a copy of these rules. At the discretion of the Executive Director, and with the consent of the person charged or requesting a hearing, hearings may be held by teleconference.

Further,

- A. Any person entitled to notice may appear in person or by counsel and may offer testimony and other evidence and produce witnesses.
- B. All oral testimony, documents and physical exhibits that are relevant and material, have probative force and are not unduly repetitious shall be admissible. Witnesses may, but not need be, sworn. Oral testimony shall be recorded.
- C. The person filing charges or the proponent of any other factual proposition shall have the burden of proving such charges or proposition by a preponderance of the evidence.
- D. From the time of the request for a hearing or the filing of charges until any appeal is taken, the presiding officer of the committee which shall conduct the hearing may rule alone, subject to review by such committee, on all motions, objections and other questions, including the admissibility of evidence.
- E. As promptly as is reasonably practicable after the conclusion of the hearing, the Committee shall decide the matter, which decision, with the findings in support thereof, shall be reduced to writing. The Executive Director shall thereafter promptly give notice of the decision to each person entitled to notice of the hearing and to the Board of Directors.
- F. When a person has been denied any of the privileges of the Association or has been suspended or expelled from membership, the fact thereof and the offense committed may be publicly announced.

## **V. APPEALS**

The Executive Director or any person entitled to notice of the same, if aggrieved by a decision of the Committee, may appeal the decision by filing written notice of appeal which is received at the office of the Executive Director not more than fifteen days after having given notice of the decision.

In all appeals

- A. The Committee shall transmit to the Board of Directors the record of the hearing.
- B. The Executive Director shall give not less than thirty days notice of the time and place of the hearing on appeal to each Director, to each person who filed a notice of appeal, and to each person who was entitled to receive notice of the Committee decision which is the subject of the appeal.
- C. The decision of the Board of Directors shall be based solely on the record transmitted by the Committee and the arguments of the Executive Director and persons entitled to notice of the hearing on appeal.



D. No Director or Officer who participated in the hearing preceding or in the decision of the Committee shall vote or preside on an appeal, but he or she may otherwise participate therein.

E. As promptly as reasonably practicable after the conclusion of the hearing on appeal, the Board of Directors shall decide the appeal as right and justice require, and may affirm, reverse, make any sanction more or less severe, or otherwise revise the decision of the Committee, or order a rehearing of any matter. The decision on appeal shall be in writing and filed with the Executive Director, who shall promptly give notice thereof to each person who was entitled to notice of the hearing on appeal.

## **VI. NOTICES**

Any written notice permitted or required to be given by the Executive Director shall be deemed to be given when deposited in a United States mail, postage prepaid, certified or registered and addressed to the person for whom it is intended at an address of such person in the files of the Association or at an address which the Executive Director has reason to believe will bring the notice to the attention of such person.

## **VII. GENERAL**

A. Every decision of the Committee shall stand as the decision of the Board of Directors until modified on appeal or otherwise ordered by the Board of Directors.

B. The sole official record of all hearing and appeal proceedings shall be that produced in a manner approved by the Board of Directors. Copies of the record shall be made available to any interested person upon payment, in advance, of the reasonable costs thereof.

C. In any appropriate case, any of these rules may be waived by the person or entity in whose interest the rule was promulgated.

D. These rules are subject to modification or revision by the Board of Directors at any time.

E. No person having a conflict of interest shall act in a decision making capacity under these Rules.

*Adopted June 2009*

# **XI. OTA's Organic Leadership Award**

## **Procedures for the Selection of Inductees**

### **INTRODUCTION AND PURPOSE**

An Organic Leadership Award is the association's highest honor. The award is given annually to an individual, inside or outside the organic industry, who has shown leadership and vision in furthering the goals of the organic movement. Traditionally, the award is presented at OTA's Annual Awards Dinner.

## **GENERAL CRITERIA**

OTA represents businesses across the organic supply chain—from farm to retail— and addresses all things organic, including food, fiber/textiles, personal care products, and new sectors as they develop. Nominees selected are current leaders in the organic movement, or recognized nationally for work in or relating to organic agriculture and trade.

In making an award, OTA has generally considered individuals who have:

- Demonstrated skill, innovation, personal commitment, leadership and vision beyond the professional competence and requirements of the position for which s/he was employed.
- Achieved identifiable and lasting changes to promote and protect organic agriculture and trade.
- Inspired and persuaded others to act to advance the cause of organic agriculture and trade.

Nominations will only be accepted in writing and must use the questions on the nomination form to list the major contributions and activities of the nominee relating to the year's award category and selection criteria (not to exceed 10 typewritten pages.) Nominations may not be made anonymously. Letters of endorsement to the nomination are encouraged.

## **NOMINATIONS/SELECTION PROCEDURE**

1. The OTA Board of Directors shall determine the category and criteria for each year's award.
2. Nominations may be made by individuals or organizations, using the nomination submission form provided by OTA.
3. Consideration will be given only to nominations that address the criteria and questions on the nomination submission form.
4. Nominations or endorsements received after submission deadline shall not be permitted.
5. Nominations shall be reviewed by the Board's Community Relations Committee, which will then recommend the award recipient(s) to the Board for approval.

## **ANNUAL TIMELINE**

The OTA Leadership Award is an annual process. At least six (6) months prior to the OTA Awards Ceremony, OTA shall announce the award category and criteria and issue a call for nominations.

*Adopted September 2007*

## **XII. Share Your Skills**

As a membership-based organization, OTA values the expertise and participation of the membership in the business of the association.

## **OTA MEMBER SKILL AND INTEREST BANK**

OTA has established a Member Skill and Interest Bank in order to:

- allow OTA members to list skills and interests as they relate to volunteering with the association
- support the creation of OTA Task Forces
- complement existing information OTA collects from members

An OTA Skill and Interest Bank Form can be found on the Members Only pages of [www.ota.com](http://www.ota.com) or by e-mailing [membership@ota.com](mailto:membership@ota.com).

In identifying with one or more OTA Skill and Interest Bank category, OTA members consent to be contacted by OTA or by OTA members seeking prospective Task Force volunteers.

OTA members may request, in writing, information from the OTA Skill and Interest Bank for the sole purpose of identifying a prospective pool of task force volunteers. OTA will review these requests on a case-by-case basis. All requests are ultimately subject to approval by the OTA Executive Director.

Member skill and interest categories may be removed from the OTA Member Skill and Interest Bank if:

- The area of interest is no longer prevalent among OTA members
- The area of interest is replicated on The Organic Pages Online™
- The area of interest moves outside the scope of OTA's mission and strategic objectives

OTA staff will evaluate the OTA Member Skill and Interest bank on a periodic basis. If the time and resources required to manage the information is not proportionate to the usage or perceived value of the databank then a dissolution request may be made to the OTA Board Community Relations Committee.

## **XIII. OTA Board Election Process**

### **Annual Election of Board Members:**

Each year Board members are elected by OTA trade members in good standing according to the bylaws of the association. Election results and new appointments are announced at the OTA Annual Member Meeting. Board members begin their terms on the day of the Board's Annual Meeting, which is held prior to the OTA Annual Member Meeting. Election results, including vote tallies, shall be posted on the OTA website as soon as results have been validated by the OTA Board Secretary.

### **Timeline and Procedures for Nominations and Election:**

- The Board Governance Committee serves as the Nominating Committee.
- The Governance Committee recruits and reviews candidates according to criteria approved by the Board of Directors.
- The Governance Committee presents to the Board a slate of candidates for all open seats on the board at least 120 days prior to the date of the OTA Annual Member Meeting.

- The Board establishes the Board nominated slate by vote and the slate of candidates is announced to the OTA members.
- Additional candidates can be nominated by OTA trade members in good standing at least 90 days prior to the date of the OTA Annual Meeting. These nominations must be sent in writing to the OTA Board President with at least six additional recommendations from OTA trade members in good standing.
- The final slate of candidates must be presented to the OTA members at least 45 days prior to the OTA Annual Member Meeting.
- Balloting is electronic on the member-only section of the OTA website or hard copy via mail. Candidate bios and statements are posted with the ballot. Every OTA trade member in good standing has one vote.

### **Annual Selection of Appointed Board Members:**

Each year the elected Board members according to the bylaws of the association select the appointed seat(s) after the Board Election and prior to the Board Annual Meeting. The appointed Board member(s) begin their term at the Board's Annual Meeting.

### **Timeline and Procedures for Selection of Appointed Board Member:**

- After the election results are tabulated the Governance Committee presents to the Board a recommendation for the appointed Board seat(s) based on a review and analysis of the gaps in sector representation, expertise, the status of the Designated Farmer Seat, and the election results.
- The elected Board members vote on the recommendation of the Governance Committee for the appointed Board seat(s). (Note, according to OTA by-laws appointed Board members cannot vote for the appointed seats)

*(This italicized section inserted August 2014, Governance Committee approved voting process)*

#### ***The voting process will be as follows:***

- *The Governance Committee makes a motion to appoint an individual for the first appointed seat to be filled. The motion is seconded and the Governance Committee chair asks if any board member would like to amend the motion to include another qualified individual. If the amendment is seconded and approved then this individual or individuals are added to the "slate" for this one position.*
- *The Governance Committee then makes a motion to appoint an individual for the second appointed seat and the above process is repeated for the second appointment.*
- *Once the two "slates" are determined there will be a vote for each appointed position.*
- *The "elected" board members noted above now get to vote for the candidate that they feel will best serve the OTA.*
- *If there is **one candidate** then as long as this candidate receives a majority of the votes in favor of her or his appointment the candidate is appointed.*
- *If there are **two candidates** then the candidate with the majority of votes is appointed. The VP, Sarah Bird, casts the tie breaking vote if necessary.*
- *If there are **three or more candidates** then the candidate(s) with the least amount of votes such that the top two candidates remain are removed from consideration and the board votes again until a candidate that receives more than 50% is determined. Once again, Sarah Bird may need to break any tie.*
- *All votes will be cast via live role call managed by the OTA staff.*

- Any Board member being considered for selection to an appointed Board seat shall not be present during the Board's discussion and voting for the appointed Board seat(s).
- If more than one Board seat is to be appointed, the elected Board members vote on each Board seat separately.

**Annual Election of Board Officers:**

The Board members elect the Officers at the Board's Annual Meeting, according to the bylaws of the association. The Board Officers begin their term immediately upon election and are announced at the OTA Annual Member Meeting.

**Timeline and Procedures for Election of Board Officers:**

- After the election results are tabulated the Governance Committee presents to the Board a slate of officers.
- At the Board's Annual Meeting, the current Board members vote on the recommended slate of Officers.

*Approved on 1/12/2012 by the OTA Board*

**Election Procedure for mailing, tallying, and communicating votes:**

- Paper ballots are mailed to the membership one week prior to the opening day of voting.
- Electronic notices are sent to the membership on the first day of voting.
- Electronic reminders are sent weekly throughout the voting timeframe.
- Paper ballot votes are received at the Brattleboro office and tabulated once daily.
- Electronic votes are tabulated twice daily.
- All votes are recorded on an excel spreadsheet and listed by member ID and ballot number.
- On the morning after the final day of voting the electronic poll is closed.
- Paper ballots continue to arrive for another week, typically. Only those postmarked by the final day of voting are counted.
- All votes are tallied by the Executive Administrator
- The votes are then recounted by another OTA staff person for accuracy of final counts.
- If the count is off, then both staff recount the ballots until the number coincides.
- Final results are sent electronically to the OTA Board secretary for confirmation and validation.
- Final election results are communicated to the OTA Board and to the candidates according to Governance Committee procedures.

**Board-appointed seat process:**

The Governance Committee recommends that the Board implement, immediately, the following Process:

**Board Appointed Seats – Floor Nominations Process**

- 1) Nominator must contact the candidate before the Board meeting and confirm the candidate's desire to serve on the Board;
- 2) Nominator must distribute the candidate's resume/bio to the full Board prior to the Board meeting;
- 3) Nominator must make a motion at the Board meeting to add the candidate to the list of candidates being considered for appointment;
- 4) Another Board member must second the Nominator's motion;
- 5) The Board will vote to approve or reject the motion to add the nominated candidate to the list.

Please note that this new Process will be used in the context of the fact that the Governance Committee recommends a slate of candidates for each Board Appointed Seat. The Governance Recommendation is in the form of a motion made at the Board meeting. So, this new process we are proposing allows Board members to make nominations from the floor via an amendment to the Governance Committee motion after confirming the candidate's interest in serving and circulating the candidate's resume/bio to all Board members.

*Approved on 9/18/2012 by the OTA Board*



**Criteria and Commitment for Board Member Candidates, approved October 2004:**

**Required**

- Familiarity with or acceptance of Knowledge-Based Governance (or Carver)
- Commitment to proving the organic benefit and expansion of organic agriculture
- Commitment to economic parity for organic farmers
- Have the time to serve actively on a board committee and participate in full Board meetings and activities (10 hours a month plus Board meetings: 3 in-person Board meetings a year with one in association with annual two-day retreat: each 8 hours, 1 or 2 short meetings (2-3 hours) by phone.
- Bring representative balance to the OTA Board
- Be willing to work towards the betterment of the whole organic industry
- Willing and able to accept the Board policy that the OTA Board acts as a whole, not as individual Board members, and any decisions taken by the Board are represented publicly with full support
- Full participation in fundraising and membership recruitment efforts

**Desired**

- Specific and unique additional skills
- Previous experience on a trade association board or staff
- Experience with the process of consensus
- Skills in long term planning
- Interest/experience in political advocacy/relations
- Interest/experience in public relations and marketing

Candidate Signature: \_\_\_\_\_

Company name: \_\_\_\_\_

Date: \_\_\_\_/\_\_\_\_/\_\_\_\_

## **XIV. OTA Board Meetings – Member Attendance Policy**

In-person meetings of OTA's Board of Directors are open to any member who wishes to observe this aspect of the association's governance. OTA will announce in advance to members the date, time, and location of in-person Board meetings. The Board will strive to hold meetings at locations that provide ample space for members to attend.

While the OTA Board welcomes direct communication from members via their attendance at Board meetings, it encourages members to understand the scope of the Board's role and the focus of its meetings. The Board has three governance functions: setting the vision and direction of OTA, ensuring that necessary resources are available, and providing oversight. Programmatic ideas, issues, opportunities, or concerns should be brought first to the attention of the OTA Executive Director so that s/he may assess them in light of the strategic priorities set by the Board.

Proposing Board Meeting Agenda Items: Should a member wish to formally address the OTA Board at one of its meetings regarding a specific topic or issue, that member should submit a written request at least 14 days before the Board meeting to the OTA Board President or to the Executive Director. The member should outline the topic and the projected time needed. The Board President will evaluate the request in light of the other time demands on the meeting agenda and whether addressing the topic is within the focused scope of the Board's role or should be handled by the Executive Director. In any event, the Board President or Executive Director shall inform the member as to their decision in a timely manner.

General Participation of Members at Board Meetings: OTA welcomes members to attend and observe its meetings. The Board strives to move efficiently through each meeting's agenda. If a member observing the meeting would like to make a comment or ask a question, OTA will strive to accommodate this request. The member is encouraged to raise his/her hand or to pass a note to the Board President with the request summarized. The Board President, as facilitator of the meeting, will seek to allocate Board time and attention to the member's request. It would be at the discretion of the Board President to decide whether the question or comment can be addressed during the meeting or needs to be followed up at a later time.

Executive Session: Issues deemed confidential by the Board shall be discussed in closed, executive session with attendance and participation by non-Board members only by invitation of the Board.

Phone Meetings: Meetings of the OTA Board conducted via conference call are not open to member attendance/observation. However, the same protocol and process for requesting time on the meeting agenda (outlined above) apply to conference call meetings of the Board.

*Adopted September 2009*





## **XV. OTA Board Travel Reimbursement**

### **OTA Board of Directors Travel Reimbursement Policy**

*Adopted June 2010*

*Effective July 1, 2010*

OTA agrees to budget \$15,000 per year to cover reasonable transportation and lodging costs incurred by directors attending OTA board meetings.

Any OTA director may ask the OTA to reimburse his/her transportation and lodging expenses directly related to attending board meetings up to a maximum of \$1,000 per board meeting.

Request for reimbursement should be submitted to David Gagnon, Chief Operating Officer: e-mail [dgagnon@ota.com](mailto:dgagnon@ota.com) or send to 28 Vernon St., Suite 413, Brattleboro, VT 05301.

All requests that have proper documentation (e.g., credit card bills, receipts, recorded mileage for car travel to and from designated locations, etc.) will be honored on a “first come, first served” basis, until the appropriated funds are exhausted.

Directors are encouraged to plan in advance so that OTA is not paying higher costs due to lack of advance travel planning.

## **XVI. OTA Compensation Policy**

### Purpose

1. The Executive Committee (the “Committee”) of the Board of Directors (“Board”) of the Organic Trade Association, (“OTA”) will assist the Board in fulfilling its oversight and decision-making responsibilities relating to the full range of compensation policy (the “Policy”) of the OTA, in addition to such other duties as directed by the Board.

2. The Board has assigned and delegated authority to the Committee, as set forth in detail below, to make suggestions to the Board regarding compensation and personnel practices that are consistent with the highest standards and in full compliance with applicable ethical, legal and regulatory requirements and standards, including without limitation, the Internal Revenue Code of 1986, as amended.

### Independence

1. All compensation decisions should be made by committee members who are independent, and without conflicts of interest as defined by the OTA Conflict of Interest Policy.

### Responsibility

1. The Committee shall be responsible for annually reviewing and making recommendations to the Board regarding stated compensation policies, strategy and practices with respect to all OTA employees, for the purpose of ensuring that its employees are rewarded appropriately for their contributions to the OTA achievement of its objectives and are compensated effectively in a manner consistent with the OTA compensation strategy, competitive practice and in compliance with applicable state and federal law, including, without limitation, the requirements of the Internal Revenue Code and appropriate regulatory bodies.

2. Review at least annually and recommend to the Board the compensation for the Executive Director of the OTA, which may be based upon a performance review in connection with the goals of the OTA, financial and otherwise.

3. Review and report to the Board annually regarding the OTA incentive compensation plans (if any) to ensure that they are administered in a manner consistent with the OTA compensation strategy and the terms of the plans as to the following:

- Participation of eligible persons
- Target annual incentive awards (if any)
- OTA goals, financial and otherwise
- Actual awards granted (if any)
- Total costs of such plans

4. From time to time, recommend to the Board revisions of the OTA salary range structure and salary guidelines.

5. Periodically review the OTA employee benefit and retirement programs and recommend changes, where appropriate, for Board of Directors' approval.

6. In making its recommendations under this Policy, the Committee:

(a) Shall consider relevant information including, but not limited to, compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions, the availability of similar services, current compensation surveys compiled by independent firms, and, if any, actual written offers from similar institutions competing for the services of such persons; and

(b) Shall advise and assist the Board in taking such steps as may be necessary or appropriate so that personnel and compensation actions it suggests for the Executive Director and other Highly Compensated Employees, as defined, are not "excess benefit transactions" under Code section 4958 and applicable regulations, as amended from time to time, including:

- (i) adequate, contemporaneous documentation of the terms of the transaction or compensation decision as of the date it was approved;
- (ii) the members of the authorized body who attended the meeting and voted on the transaction or compensation decision;

- (iii) a summary of the comparability data obtained and relied upon; and
- (iv) any declarations of conflict of interest.

(c) Shall not manage employees directly in a manner which would interfere with the Executive Director's role and responsibility of supervising, evaluating and managing staff members. The Executive Committee shall review and approve any recommendations of the Executive Director for changes in compensation of any of her/his direct reports. Managers will annually review performance of their direct reports and recommend compensation adjustments as appropriate to the Executive Director. All compensation adjustments will be reviewed and approved by the manager's superior before they are implemented.

*Adopted October 2010*

#### **ORGANIC TRADE ASSOCIATION: COMPENSATION POLICY CHECKLIST**

Executive Committee Responsibility	
1.	Assist Board in oversight and decision making related to compensation policy and other duties as directed.
2.	Committee members shall satisfy the independence standards on an annual basis.
3.	Annually review OTA's stated compensation policies, strategy and practices.
4.	Annually obtain input from Board and develop performance review and compensation recommendations for the Executive Director.
5.	Review and report to Board annually regarding OTA's incentive compensation plans (if any)
6.	Recommend to the Board revisions of the OTA's salary structure, salary guidelines and compensation plans.
7.	Periodically review the OTA's employee benefit and retirement programs and make recommendations to the Board.
8.	Review and approve any recommendations of the Executive Director for changes in compensation of any of her/his direct reports.
9.	Periodically confer with independent legal counsel in order to remain current as to applicable law and regulations affecting compensation.

## **XVII. OTA Whistleblower Policy and Protection for Employees**

Any employee, volunteer or intern who learns of a violation by the Organic Trade Association, Inc. (“OTA”) or by an employee of OTA acting as such, and who reports the violation in good faith, is protected from any retaliation by OTA or its employees. “Good faith” means that the employee has a reasonably held belief in the truth of the disclosure and has not made the disclosure for malicious or frivolous reasons.

Such violations include: violations of state and federal laws and regulations that govern actions by OTA or its employees; violations of OTA policies and statutory or other requirements for good governance; improper accounting matters; any attempt to conceal such a violation or evidence thereof; any retaliation for any report, complaint, allegation, or other disclosure of such a violation.

An employee who learns of a violation should notify one of the following in writing:

1. The employee’s immediate supervisor
2. The Executive Director
3. The President or the Vice-President of the OTA Board or
4. OTA’s counsel (Stephen R. Phillips of Potter Stewart, Jr. Law Offices, P.C. in Brattleboro, Vermont). sphillips@potterstewartlaw.com 802-257-7244 x 124

Upon receiving such a disclosure, the person receiving it shall immediately deliver a copy of the disclosure to the Executive Director, who shall then promptly inform OTA’s outside general counsel. If the Executive Director is potentially implicated in the disclosure, then the person receiving the disclosure shall directly contact the President of the Board who shall then inform OTA’s outside general counsel. OTA shall take seriously any such disclosure, and promptly begin investigation of the matter.

OTA will treat all such disclosures as confidential and privileged to the fullest extent permitted by the law. OTA will exercise particular care to keep confidential the identity of any person making such a disclosure until a formal investigation is launched. Thereafter, the identity of the person making the disclosure shall be kept confidential, if requested, unless such confidentiality is incompatible with a fair investigation, unless there is an overriding reason for identifying or otherwise disclosing his or her identity, or unless such disclosure is required by law. If disciplinary proceedings are invoked against any individual following such a disclosure, OTA will normally require the name of the person making the disclosure to be disclosed to the person subject to such proceedings.

While OTA encourages an employee to put his or her name to any such disclosure, the employee may, if he or she chooses, make the disclosure anonymously. A person wishing to remain anonymous shall follow the above procedure and contact one of the above listed persons by U.S. mail and state that they are filing a disclosure under the OTA Whistleblower policy, wish to report a violation and also wish to remain anonymous. In dealing with an anonymous disclosure, OTA will pay due regard to fairness to any individual named in the disclosure, the seriousness of the issue raised, the credibility of the information or allegations, and the prospects of an effective investigation and discovery of evidence.

If after investigation a matter disclosed under this policy is found to be without substance and to have been made for malicious or frivolous reasons, the person making the disclosure may be subject to disciplinary action.

This policy does not apply to all grievances, such as those related to terms of employment or those addressed by the OTA's policies on discrimination or sexual harassment.

Any acts or threats of retaliation against an employee making such disclosures in good faith shall be treated by OTA as a serious violation of OTA policy and could result in discharge.

All new and existing employees shall be given a copy of this Policy.

*Adopted October 2010*

## **XVIII. OTA Document Retention Policy**

The corporate records of the Organic Trade Association, Inc. (hereafter the "Company") are important assets. Corporate records include essentially all records you produce as an employee, whether paper or electronic. A record may be as obvious as a memorandum, an e-mail, a contract or a case study, or something not as obvious, such as a computerized desk calendar, an appointment book or an expense record.

The law requires the Company to maintain certain types of corporate records, usually for a specified period of time. Failure to retain those records for those minimum periods could subject you and the Company to penalties and fines, cause the loss of rights, obstruct justice, spoil potential evidence in a lawsuit, place the Company in contempt of court, or seriously disadvantage the Company in litigation.

The Company expects all employees to fully comply with any published records retention or destruction policies and schedules, provided that all employees should note the following general exception to any stated destruction schedule. If you believe, or the Company informs you, that Company records are relevant to litigation, or potential litigation (i.e., a dispute that could result in litigation), then you must preserve those records until legal counsel determines the records are no longer needed. That exception supersedes any previously or subsequently

established destruction schedule for those records. If you believe that exception may apply, or have any question regarding the possible applicability of that exception, please contact the Chief Operating Officer for instructions, who will in turn contact legal counsel as the need arises.

From time to time the Company establishes retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that bear special consideration are identified below. While minimum retention periods are suggested, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention identified above, as well as any other pertinent factors. It is not a violation of this policy to fail to destroy records on a timely basis, however best practice and storage needs will inform the wisdom of any retention of records for a longer than required period of time.

(a) Tax Records. Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of deductions, business costs, accounting procedures, and other documents concerning the Company's revenues. Tax records should be retained for at least six years from the date of filing the applicable return.

(b) Employment Records/Personnel Records. State and federal statutes require the Company to keep certain recruitment, employment and personnel information. The Company should also keep personnel files that reflect performance reviews and any complaints brought against the Company or individual employees under applicable state and federal statutes. The Company should also keep all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel in the employee's personnel file. Employment and personnel records should be retained for six years from termination or retirement of the employee.

(c) Board and Board Committee Materials. Meeting minutes should be retained in perpetuity in the Company's minute book. A clean copy of all Board and Board Committee materials that serve as the basis for decision making should be kept for no less than three years by the Company.

(d) Press Releases/Public Filings. The Company should retain permanent copies of all press releases and publicly filed documents under the theory that the Company should have its own copy to test the accuracy of any document a member of the public can theoretically produce against that Company.

(e) Legal Files. Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of ten years.

(f) Marketing and Sales Documents. The Company should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

(g) Development/Intellectual Property and Trade Secrets. Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights).

The documents detailing the development process are often also of value to the Company and are protected as a trade secret where the Company:

- (i) derives independent economic value from the secrecy of the information; and
- (ii) the Company has taken affirmative steps to keep the information confidential.

The Company should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(h) Contracts. Final, execution copies of all contracts entered into by the Company should be retained. The Company should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(i) Electronic Mail. E-mail that needs to be saved should be either:

- (i) printed in hard copy and kept in the appropriate file; or
- (ii) downloaded to a computer file and kept electronically or on disk as a separate file.

The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

Failure to comply with this Document Retention Policy may result in punitive action against the employee, including suspension or termination. Questions about this policy should be referred to Chief Operating Officer David Gagnon (413-376-1225; DGagnon@ota.com), who is in charge of administering, enforcing and updating this policy.

*Adopted October 2010*

## **XIX. The Chatham House Rule**

### **What is the Chatham House Rule?**

The Chatham House Rule is used worldwide to facilitate both free speech and confidentiality in meetings.

Meetings may be held “on the record” or under “the Chatham House Rule.” In the latter case, it may be agreed with the speaker(s) that it would be conducive to free discussion that a given meeting, or part hereof, should be strictly private. When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information or opinions disclosed to them, subject to two conditions:

- (a) Neither the identity nor the affiliation of the speakers, nor that of any other participant at that meeting may be revealed, and
- (b) It may not be divulged that the information was received at that meeting.

## **Frequently Asked Questions:**

**Q:** When was the Rule devised?

**A:** In 1972, then refined in 1992

**Q:** Should one refer to the “Chatham House Rule” or the “Chatham House Rules”?

**A:** There is only one Rule. It is a mistake to describe this in the plural as “rules.”

**Q:** What are the benefits of using the Rule?

**A:** It allows people to speak as individuals, and to express views that may not be those of their organizations, and therefore it encourages free discussion. People usually feel more relaxed if they don't have to worry about their reputation or the implications if they are publicly quoted.

**Q:** How is the Rule enforced?

**A:** The organization applying the rule can take disciplinary action against one of its members who breaks the Rule. Not all organizations that use the Rule have sanctions. The Rule then depends for its success on being seen as morally binding.

**Q:** Is the Rule used for all meetings of political organizations?

**A:** No. However it is common practice that only particular senior officers of a party will be authorized to disclose any details of a party meeting to the media. Often large meetings or regular general meetings tend to be more open about what has been discussed. By contrast, confidentiality will tend to apply to executive meetings, campaign planning meetings, or meetings where work in progress is discussed, or meetings where the subject matter is otherwise politically sensitive. Often it is wise to apply the Rule when a controversial guest speaker is invited (such as a politician), in return for them speaking candidly.

**Q:** Who uses the Rule these days?

**A:** It is widely used throughout the world: by political groups, by local government, by commercial organizations; as well as by research organizations.

## **Historical Background:**

The Chatham House Rule was devised by the Royal Institute of International Affairs, an independent organization which promotes research and discussion on international affairs. The institute is otherwise known as “Chatham House”, a name which refers to its 18<sup>th</sup> century premises in the heart of London. The Chatham House building was home to three British Prime Ministers including William Pitt the Elder, Earl of Chatham (Prime Minister from 1766-8). The Institute was established in 1920, it acquired Chatham House as a gift in 1923, and it created the “Chatham House Rule” in 1927.