

# NATIONAL PROCESSED RASPBERRY COUNCIL

## Executive Committee Meeting

May 28, 2014, 5:00 p.m. PDT

### Committee Members Participating:

John Clark  
 Rob Dhaliwal  
 Brad Rader

### Others Participating:

Tom Krugman                       Tarun Harit  
 Tom Skilton

x = participating

#### A. Establish Quorum

The meeting was called to order by John Clark at 5:10 p.m. Roll Call disclosed a quorum to be present.

#### B. Approval of November 4, 2013 Minutes

On a motion by Brad, seconded by Rob, the minutes of the November 4, 2013 meeting of the Executive Committee were unanimously approved as submitted.

#### C. Contract Review: Foodservice Connections

Tom K reported on a discussion he had with Rob relating to the contract with Foodservice Connections to support Tom during the PR Agency selection process. This activity, while in the budget, had not been specifically described in the marketing narrative, and therefore had not had Board or Committee oversight like the remainder of current contracts. Rob has asked that the subject be on the agenda so as to develop a policy and to protect the Executive Director's interests.

This led to a general discussion on management performance reviews which are required no less than every three years. Tom K indicated he would prefer that the review be conducted annually so that if there were findings they could be quickly corrected. The purpose of the review is to ensure that Council actions fall within the parameters of the Guidelines and Council Bylaws and Policies and Procedures. The members of the Committee felt that the contract with Foodservice Connections could be considered an action taken outside the oversight requirements of the Bylaws and/or Policies & Procedures. Tom S explained that under the AMS Guidelines, and the current Council Bylaws and Policies & Procedures, contracts for activities provided for in the budget do not require additional Council review and may be signed by Tom K. To his knowledge, this was the only contract that could be considered "out of scope," defined for the purposes of this discussion as an activity provided for in the budget but not described in the corresponding narrative.

Discussion recognized that having such "out of scope" contracts reviewed and approved by the entire Council would be inefficient. On a motion by Rob, seconded by Brad and unanimously approved, it was resolved to recommend that the Council authorize and instruct the Executive

Committee to review and approve contracts that are not described in the budget narrative but that fall within the scope of the approved budget.

Further, on a motion by Brad, seconded by Rob and unanimously approved, contingent on Council approval of the previous recommendation, the Executive Committee approved Contract #26 with Foodservice Connections for a maximum of \$5,850.

This opened a general discussion on contracts, noting that with the exception of contracts for Tom K and Tom S, all were specifically part of a program narrative, and therefore had received committee review and recommendation for inclusion in the FY 2015 budget. In response to questions, Tom K responded that he was satisfied with his contract but was planning on asking for an increase effective January 1 due to the additional responsibilities of managing 14 research projects as well as a PR Agency in the new fiscal year and the job already being full-time. Discussion ensued on what would constitute appropriate compensation. At this time, a brief executive session was called by John.

In returning to open session, it was announced that effective October 1, monthly compensation for the Executive Director would be increased to \$9,000/month.

#### **D. FY 2015 Proposed Program and Budget Review**

Tom K reviewed the proposed Research and Marketing Narratives and budget as recommended for approval by the respective committees.

In discussing the Research Narrative, he directed the Committee to the Post Harvest/New Technology Priorities that are now being used by the Research Committee in considering non-nutrition research proposals. Using these priorities, two projects proposed by researchers at WSU that had been approved by the Council for FY 2014 were not recommended by the Committee for funding in the new fiscal year. As no contract had ever been executed with the University due to questions regarding Intellectual Property rights and no work has been performed nor funds paid during FY 2014, the Research Committee also recommended cancelling these two projects.

In discussing the Marketing Narrative, Tom brought forth discussion by the committee regarding ways to potentially accelerate the PR Agency review and selection process. The Marketing Committee would ask the Council for authorization to select an Agency if during phone interviews there was a clear cut "winner", such that the one Agency could come to the November meeting and present a marketing plan. This would allow implementation of Agency driven programs as much as two months earlier than envisioned.

Tom K reviewed the consolidated budget to be presented to the Council totaling just over \$1.8 million against total projected revenue of \$2.4 million. An adjustment would be made to the slide to be shown to the Council during its May 29 meeting reflecting the change in Executive Director compensation.

#### **E. Legal Counsel**

Tom S reported that applications to register two trademarks, “the Taste you Love, the Nutrition you Want”, and “Tasteful Nutrition”, had been published with no opposition recorded. It is expected that the final steps of registration will be concluded in July.

The Council’s Rulemaking requests to redefine the fiscal year and crop year in the Order, along with the establishment of penalties and interest on delinquent assessment payments is moving forward through USDA. There have been a few questions from USDA that are being addressed.

Tom S provided an update of collection of delinquent assessments from importers and domestic first handlers. Letters had been sent to importers and/or first handlers by Cameron LLP clearly stating the legal obligation to pay the assessment and the consequences of failure to do so. These letters had triggered a number of phone calls from delinquent importers or handlers. The result was that importers are now aware of their obligation, understand who the Council is and what it does, and the majority of importers or first handlers are now current. Of 97 importers, there are six with minor reconciliation issues to resolve and eight that are still unresponsive. There is only one domestic first handler who is delinquent, but he is engaged in conversation with Cameron LLP.

Tom S concluded his report by noting that U.S. Customs would begin collection of assessments effective July 1 which should facilitate collections from importers.

**F. Other Business**

A letter from the AMS Administrator regarding Code of Ethics policy was distributed. Tom S noted that the Council already follows the Code through reference to USDA/AMS Guidelines on the annual Lobbying Prohibition, Code of Ethics, and Conflict of Interest Policy certification signed by Council members and alternates. He went on to note that the Code and Conflict of Interest Policy would be printed on the back of future certifications to be signed during the organizational meetings to be held in the Fall.

Tom K reminded the Committee about discussion during the last Council conference call regarding the recommendation of appointment of a Public Member to fill the open seat. This subject was on the Council’s agenda.

**G. Adjourn**

There then being no further Committee business, on a motion by Rob, seconded by Brad and unanimously approved, the meeting adjourned at 8:45 p.m.