



## **Executive Sessions**

**By Michael Healy and Bentley Lein**

An Executive Session (sometimes called a “closed session”) is a meeting, or portion of a meeting, open to only members of the board of directors and individuals invited by the board of directors. All meeting attendees are expected to keep content of the meeting confidential unless the board decides to make it public. "Confidential" means that those present are expected not to share or discuss the information with anyone other than those in the room.

How and why should co-op boards use executive sessions as part of board meetings?

In answering this question, we should first remember the 2<sup>nd</sup> Cooperative Principle of Democratic Member Control. According to this principle, “Cooperatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership.” Accountability in a democratic society comes in large part through the openness of the decision-making process; members should be able to see and hear what their elected leaders are doing. Board meetings, then, are almost always open to members, and are closed only in specific circumstances.

Many cooperatives explicitly state in their bylaws or governance policies (see below for CBLD policy template for a sample) that meetings will be open to the membership except when an executive session is officially called. For boards of food co-ops, executive sessions are typically reserved for matters concerning negotiations, personnel, real estate, or legal consultations.

Usually the Board President will place a needed executive session on the board’s regular meeting agenda; this advance warning lets members and meeting attendees know about the board’s intentions. On rare occasions a director may request an executive session during the meeting itself. Whether placed on the agenda in advance or requested during the regular meeting, the whole board is responsible for actually deciding to go into executive session.

Minutes of executive sessions should be read and approved only in executive session and should be kept confidential. The regular meeting minutes should indicate that the executive session happened, the reason for the session, and any non-confidential decisions that the board wants placed in the regular minutes.

**Tips:**

1. Keep executive session either at the beginning or end (preferable) of regular meetings so as to least inconvenience members that wish to attend the open section of a regular board meeting.
2. Whenever possible, take actual votes and record board action in the open session.
3. Our scan of state laws and Roberts Rules of Order indicates that there are a variety of rules for calling and using executive sessions. Whatever rules your board follows, we suggest that you follow them carefully; you may even want to consider asking your co-op's lawyer if you have any question about the legality of your process.
4. In order to maintain a positive board-manager relationship, if the board decides to exclude the GM from an Executive Session (for example, to talk about the GM's evaluation), the board should designate a director to follow up with the GM as soon as possible following the meeting.

**Questions to think about:**

1. Do you and your fellow directors understand your own rules for using executive sessions?
2. Do you use executive sessions only when absolutely necessary?
3. Do you have a good system for recording and archiving your confidential records?

