



Public Bank of Oakland

FriendsOfPublicBankOfOakland.org

GOVERNANCE STRUCTURE FOR THE PUBLIC BANK OF OAKLAND

--
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I. Mission Statement

The Public Bank of Oakland will invest public financial resources of participating jurisdictions to meet the needs of local communities. The Bank will seek to return a profit to its stakeholders by making commercially viable, economically sustainable loans and providing a high level of service to its depositors, customers, and partners. It will adhere to the principles of the United Nations Declaration on the Rights of Indigenous People (UNDRIP), and will prioritize environmentally regenerative and culturally equitable practices that reverse discrimination against members of marginalized communities.

II. Introduction

This is a community-centered plan for structuring the Public Bank of Oakland. It includes:

- the launch process;
- the composition and operation of the Bank's Board of Directors;
- creating an Academy to provide training for potential directors; and
- a framework for loan policies unique to a public bank.

The plan makes use of extensive research into existing comparable institutions, proposed frameworks for public banks, and community outreach and involvement (See Exhibits A and B.)

III. Launching the Bank

The Bank will need a Launch Team to manage the transition from receiving official approval to actually opening the doors. The Launch Team will help guide the start-up of the Bank through the complicated decision-making process this groundbreaking bank will go through.

To make the start-up process as effective and democratic as possible, the Launch Team will consist of:

- active members of the Friends of the Public Bank of Oakland (a group which anyone can join and is therefore open to community input and opinion);
- the treasurers of the jurisdictions invested in the Bank, or other designees of the mayors and other heads of government stakeholder entities;
- potential Directors with specific expertise (banking, law, compliance) who can be easily identified and therefore brought on early;
- the CEO and upper management, once chosen; and
- other early stakeholders, as identified.

The Launch Team will be responsible for all matters necessary to open the Bank, including finding appropriate space, recruiting potential Directors, setting up the Academy, identifying appropriate technology, and other tasks as they arise.

IV. Board of Directors

All of our decisions about the Board of Directors are based on the Mission Statement, the values we believe the Public Bank of Oakland should hold, and the belief that the people closest to any problem must be involved in effective solutions to that problem.

The Board of Directors of any bank, including this one, sets general policy for the Bank, ensures continuing integrity and alignment with the Bank's mission, and is responsible to the community for the Bank's decisions and policies.

Board Size and Composition

We propose a Board of 15 Directors, which is the size of the Boards of Directors of the Sparkassen public bank boards in Germany. This number is large enough to include a variety of perspectives and small enough to function effectively. Of those 15 Directors, eight will be from the community, two will be City Councilmembers or their appointees (one from Oakland, and one from Richmond or Berkeley), one will be a lawyer conversant with banking issues, two will be people with banking experience, one will be a bank employee (not senior management) and one will be a compliance expert.

In addition, the CEO of the Bank, the Treasurer of the City of Oakland, the Treasurer of Richmond or Berkeley (whichever does not have a voting board member) and the Treasurer of Alameda County will be ex officio non-voting members of the Board.

In our research, we determined that although many banks have smaller boards of directors, one inevitable result is a loss of diverse viewpoints and expertise. The community-member majority is key to keeping the Bank connected to the needs and concerns of the people it serves.

Selecting Directors

We propose that Directors who fill the community seats be recruited geographically, from districts of Oakland, and from Berkeley and/or Richmond.¹ Representation of diverse communities and perspectives is the issue we put the most care and attention into while creating this document. We posed the question to several community activists, and to all of our supporter organizations². Geographic representation was one of the most supported criteria for community representation, along with race/ethnicity, issue representation (such as environmental concerns or affordable housing), and gender. The inclusion of these specific criteria is crucial to ensuring a Board of Directors that truly reflects all of the Oakland community stakeholders. Board specialists, such as the bankers and the attorney can be recruited more generally.

All potential Directors will be required to fill out an application and go through an interview process. We propose adapting the application form the East Bay Community Energy uses for its

¹The County of Alameda is so geographically large and highly populated that it is difficult to design community member inclusion into a manageably-sized board. Policy on how to handle this will likely have to wait until the organizational structure of the Bank is more defined.

² The formal survey results and some information about community interviews are included as Exhibit B.

Community Advisory Committee. Applicants will commit to serving for a three-year time period if selected.

Applicants for the various professional categories will be interviewed and vetted by at least two of their professional peers. In the formation stage of the Bank, all Directors will be vetted by a one-time committee composed of active members of the Friends of the Public Bank of Oakland, primarily members of that organization's governance committee.³ Once a complete operating Board is chosen, vetting of future Directors will be turned over to a committee of the Board.

All Directors will be subject to a conflict-of-interest evaluation, and no one will be permitted to serve on the Board if she/he cannot resolve any conflicts of interest to the satisfaction of the Launch Committee (for initial Directors) or the existing Board (for Directors who begin their terms after the Bank is operational).

Creating a Board of Directors with as much community representation as possible is worth the challenge and will result in a Bank that meets the needs of the residents. Because many community representatives may not have had previous financial experience, providing educational resources to such Directors is essential. See the Academy section of this document for how we propose bringing community Directors up to speed on banking issues, and professional Directors up to speed on banking issues outside of their area of expertise. Directors will, of course, be subject to background checks as part of the state licensing process, and all Directors will be selected in compliance with California law.

All Directors will be required to participate in the Academy and to pass a test demonstrating sufficient familiarity with banking theory and practices.

Removal of Directors

Unless they are members of the Board's Lending Committee (see Section V), Directors will serve a three-year term. The initial fifteen-Director Board will have stepped terms, so that five people's terms expire at the end of the first year, five at the end of the second year, and five at the end of the third year. Initial Directors will opt for one of these term lengths, with a fallback of a lottery if the opting does not work out appropriately.

In addition, we propose that the initial Board create a process, in compliance with California law for removing Directors if legal or reputational disqualifications are uncovered after their appointment, or for inactivity. This process can be defined by the initial Board, or in the business plan for the Bank.

³ As the Friends of the Public Bank of Oakland is an open group, which anyone can join (and anyone who has attended three meetings can vote), we concluded, with community activist support, that no other group has committed as much thought and care to the process of selecting Directors, and therefore no other group will have the same expertise until the Board is up and running.

Relationship to Bank management, staff, and city and county government

The initial Chief Executive Officer (CEO) of the Bank will be chosen before the Board is fully operational, and will have a two or three year contract. After that, the Board should be responsible for renewing the CEO's contract or selecting a new CEO. If the Board is fully operational prior to launch, the Board will have the right to review and approve appointment of senior management other than the CEO. Otherwise, the committee that reviews Board applications will review and approve appointment of the CEO and other Bank management.

Directors will not have access to any confidential customer financial information, and will not participate in Bank management's decisions with respect to extending or denying credit to any individual or entity. Directors will be responsible for ensuring that the Bank has a robust and reliable conflict of interest policy ensuring that partnerships, loans, lines of credit, and other Bank services are scrutinized for potential conflicts both before they are initiated and while they are active.

The Bank charter will include a provision for non-liability of Directors, and professional errors & omissions insurance will be part of the initial budget.

The CEO and the Chair of the Board will report to the Oakland City Council and other government stakeholders every 6 months for the first three years and at least annually after that. The ex officio members of the Board will present ongoing reports to their organizations. Regular audits will be performed to ensure that bank assets are being reported honestly and used constructively.

The Bank should incentivize managers and loan officers not with exorbitant salaries, short-term performance metrics, or bonuses, but with long-term benefits like job stability and community recognition. In addition, the Board should consider establishing a maximum executive compensation ratio; for example, the Bank's lowest paid worker should earn no less than 1/6 of what the CEO earns. The Bank's charter or other governance instruments should also establish a mechanism, such as an annual performance audit by an independent third party, by which the Board can evaluate management performance and take appropriate steps if the Bank incurs consistent losses.

Compensation

Directors will be paid a modest annual stipend, which they may refuse if they choose, for serving on the Board to make the position more accessible to all community members. The majority of feedback we received through interviewing activists and organizational leaders supported the need for these stipends.

In addition, we recommend that Directors have a small budget for food to be served at Directors' meetings.

Decision-Making

Many progressive organizations face a dilemma in accepting either majority rule (which can be silencing) or consensus (which can be time-consuming and is hard to understand). The compromise position, known as consent, is more inclusive than majority rule and more efficient than consensus. The Board will use such a process, the details of which are in Exhibit C.

Frequency of Meetings

The Board should, at minimum, meet quarterly, and more frequently at the discretion of the Directors. We anticipate that the initial Board meetings will need to be more frequent, until procedures are in place and the Bank is running smoothly.

Public Access

Modeling the Oakland City Council, community college district board meetings, and many other public bodies, we propose that meetings be open to the public as much as possible. We also recommend an annual public meeting, widely publicized, followed by food and celebration of the arts, to encourage community awareness of, connection to, and appreciation of the Bank.

In cases where sensitive information must be handled in closed-door meetings with no public access, the Board can decide whether to include a public comment period in the meeting agenda.

In especially sensitive situations, the Directors may desire to hold regular or special meetings at which no Bank senior management is present. At these meetings, Directors may frankly discuss any concerns they have with Bank management.

The Board is also strongly encouraged to undertake periodic formalized self-assessments of its processes and practices.

V. Academy

In concert with the launch of the Bank, the Launch Team will establish an Academy based on the practice of Germany's Sparkasse public banks, which offer a curriculum to their directors and require new directors to pass a test. The goal of the Academy is to educate Directors and provide a solid foundation in board member responsibilities, fiduciary responsibility, financial and banking principles, and decision-making processes.

The existence of the Academy will ensure that Director positions are accessible to people who have no formal knowledge of finance and have not been members of other boards, thereby making the Bank truly accessible to the public it is created to serve.

We propose the Academy begin training new Directors as the Bank and the Board are being launched. The first iteration will include a classroom curriculum, a test all Directors must pass, and opportunities to shadow Bank employees and/or other experienced professionals.

The Launch Team will identify and hire teachers to write the curriculum and will review and comment on the curriculum before it is implemented. Curriculum creators may include community college banking instructors, bankers with education expertise, and others as identified. Ideally, many or most of the curriculum creators will also be the initial teaching team. The curriculum will be designed for accessibility to various learning styles and life backgrounds and will be as engaging as possible. Classes will be held in physical venues, rather than on-line, to encourage potential Directors to get to know one another and learn to work together. The curriculum will be a living document, to be revised as needed based on feedback collected from students and other stakeholders.

Classroom teachers will use the curriculum to compose an initial test (for the launch phase), which will be refined and improved for later incoming directors. The test will be designed so that people can re-take it until they pass, if they choose to do so. In other words, not passing the test initially is not a failure, but a motivation to learn the material at a deeper level. Potential Directors who do not pass the first time will have the opportunity to retake the test. All new Directors must attend classes until they pass the test; potential Directors who repeatedly don't pass may choose (or be encouraged by the teaching staff) to postpone their Board position for a later time.

Any member of the public interested in the workings of the Bank will be welcome at Academy sessions. The Launch Team and the initial teaching staff will set up a system to address this need as it arises.

The Academy will be funded initially as a component of the Bank's start-up costs. As soon as possible, the Bank's profits will fund it. The funding will cover teachers' stipends, Directors' stipends as needed, and materials.

VI. Loan Policies

We address here those aspects of loan policy that are critical to implementing the Bank's mission and values and are particularly related to public banking. Policies that deal with the technical aspects of financial health and legal compliance will be developed at a later date by financial and bank professionals. Some key examples are listed at the end of this section.

Guidelines

In establishing the Public Bank of Oakland's initial Loan Policy, directors will consider how the policy helps achieve the Bank's mission and its overall policy goals. The Bank's external policy goals include supporting projects that benefit the economic, environmental, and social health of the entire community by:

- Reducing the cost of lending and borrowing for the City of Oakland and nearby communities that participate in the Bank;

- Providing better access for disenfranchised communities to credit and financial services through partnerships with community banks and credit unions;
- Defraying the cost of student loans for people in the jurisdictions;
- Bringing jobs, affordable housing, new small businesses and worker cooperatives, infrastructure, credit, and economic resilience to our city and region;
- Making assistance available to residents and small businesses (such as extending existing loans and providing new ones) in case of external disasters such as earthquake, fire, and flood; and
- Providing reasonable loan programs to support local cannabis businesses, especially minority-owned businesses.

Internal policy goals include adhering to safe and sound banking practices and establishing risk management policies and procedures that take a long-term view of lending and account for social and environmental factors.

Types of Loans

The Bank will make limited direct loans, generally ones which are directly related to the Bank's participating jurisdictions. At present, this may be Oakland, Berkeley, Richmond, and possibly the County of Alameda. Additional loans may be made within the San Francisco Bay Area, provided that the needs of the committed communities take precedence.

In addition to direct loans, the Loan Policy should identify desirable loans in which the Bank partners with local community banks and credit unions ("Community Loans"), to support initiatives such as:

- Microloans (amounts under \$10,000)
- Affordable housing development
- Home loans for first-time home buyers
- Business loans to business owners from marginalized communities
- Business loans to businesses that pledge to hire members of marginalized communities
- Business loans to worker-owned cooperatives, benefit corporations, Social Purpose corporations, and similar business models
- Renewable energy projects

A significant portion of the business loans will be reserved or prioritized for new businesses which fit the above criteria.

The loan policy will also identify undesirable loans. For example, no loans will be made which would run counter to the Bank's mission (including but not limited to loans for fossil fuel and pipeline projects, and private prisons) or jeopardize the financial stability of the Bank.

Loan Terms

The loan policy will also establish a process for 1) suspending loan payments for borrowers who are hit by a state or federally recognized “natural” disaster, such as wildfires or floods, and 2) providing new loans to people impacted by such disasters after the fact. In addition, the policy will establish a process for handling and documenting exceptional or “special cases” loans.

Lending Committee

The loan policy will be overseen by the Bank’s Lending Committee, a committee of the Board of Directors or individuals appointed by the Board of Directors, with the Bank’s Chief Lending Officer as an ex officio member. The loan policy will comply with regulatory constraints and use FASB accounting rules. In addition to determining the detailed loan policy, the Lending Committee will approve each loan over a certain size on a case-by-case basis. The Chief Lending Officer shall have the right to approve loans below that size. When the Lending Committee is initially formed, it will determine the maximum and minimum size and types of loans for which the Bank will accept direct applications, as well as guidelines for maximum and minimum size Participation Loans. At the same time, the Lending Committee will determine the maximum size loan which the Chief Lending Officer can approve without Lending Committee involvement.

Risk in a Public Bank Context

The Lending Committee will ensure that the Bank’s loan portfolio is not concentrated in any one type of loan or industry. However, the loan policy will ensure that the Bank, through partner community banks and credit unions, serves undercapitalized businesses and other customers who are traditionally cut off from access to financial services. To limit the Bank’s risk in serving the traditionally underbanked, the loan policy will establish appropriate limits, such as a maximum percentage of the Bank’s loan portfolio, for less traditional loans. The Lending Committee will also consider actions to better serve the underbanked, such as partnering with Community Check Cashing in Oakland to provide check cashing for the community without predatory fees.

In establishing an interest rate schedule, the Bank’s desired profit margin will be calculated differently than that of a profit-oriented financial institution. Among other factors, interest rate differentials based on the social or mission value of the loan will be taken into account when deciding whether to approve a loan and establishing the interest rate.

The loan policy will establish procedures for regular loan reviews and identifying problem loans. The Bank should address problem loans with a non-punitive, restorative approach, involving individual counseling and evaluation (another service where the Bank can partner with Community Check Cashing or other partners), leading where appropriate to lower delinquency fees, longer delinquency periods, and less stringent loan forgiveness policies. The Bank will consider a policy which prohibits selling uncollected loans at a discount to collection agencies.

Additional Loan Considerations

The Bank's credit analysis requirements will be comparable to private bank requirements in many respects. In addition, in conducting credit analyses of prospective borrowers, the loan policy will establish requirements that allow for a more holistic view of a borrower's creditworthiness. All people and businesses applying for credit of various sorts, whether directly or through community bank and credit union partners, will be evaluated by a more complex and socially responsible metric than traditional credit reports and traditional financial history. Personal references and community support will be considered. Co-signers will be encouraged and welcomed, along with other means of shoring up the credit analysis of first-time borrowers, and/or marginalized borrowers (such as the recommendation of community leaders that their loans be funded).

The Lending Committee will generate regular reports regarding how credit analysis policy has been implemented, to be presented to the Board. The Board will assign a person or a group to review implementation of the policy and together with the Lending Committee make changes and suggestions that better address the needs of the community for the following period.

Additional Policy Considerations

The Public Bank of Oakland will have confidentiality and record-keeping policies comparable to or better than those of fiscally sound and reputable private banks.

The Lending Committee will also be responsible for setting the following parameters in accordance with the Bank's mission statement and values:

- Repayment program and maximum terms;
- Whether or not to establish direct credit lines through the Bank, as opposed to with community partners. If credit lines are established, the Lending Committee will set their parameters;
- Concentration of loans and portfolio mix;
- Loan review and problem loan identification, administration and collection. However, the bank will not sell delinquent loans to collection agencies because they make their profits by harassing people who have low incomes and have been underserved by existing private banks. Since all banks must be prepared to write off some amount of losses as acceptable, and since selling delinquent loans reduces bank losses by only a small amount, this position does not significantly increase Bank risk. If losses become unacceptable, acceptance criteria must be revised;
- Reserve for loan and lease losses;
- Capitalization of interest;
- Maximizing tax incentives;
- Interaction of Lending Committee and lending staff with Bank compliance officers and compliance-professional director(s); and
- Additional lending and record-keeping policies as needed for regulatory constraints, FASB policies, and smooth running of the Bank.

Exhibit A
Resources

(full texts available on request)

Bank of North Dakota charter

Commonomics' public bank talking points

East Bay Clean Power Community Advisory Committee and Selection Process

Defense of Mother Earth-Huichin's (local divestment group with native leadership) position paper on acceptable governance structure for an Oakland public bank

Federal Reserve Bank of Atlanta Directors' Primer

GRID Alternatives commitment to equity document

Indigenous precepts and values documents from various sources

Public Bank License conceptual draft by Marc Armstrong

Santa Fe, New Mexico's proposals for public bank governance

Sparkasse (German public banks) board members' guidance notes, and board member obligations

Tacoma, Washington's public bank governance initial ideas

Exhibit B

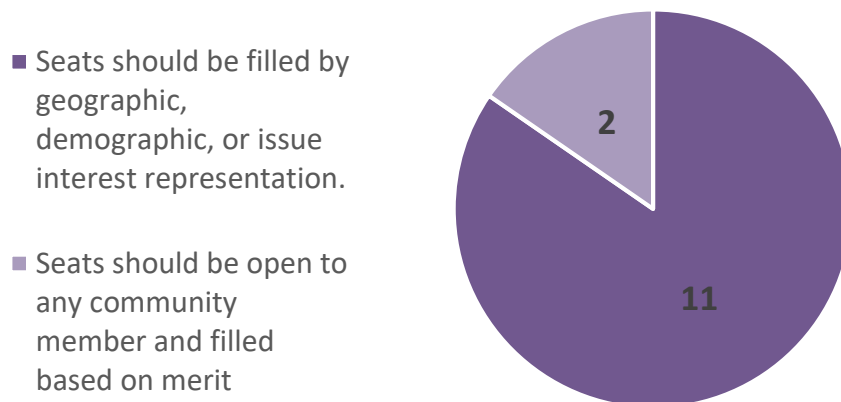
Document Preparers and Community Input

The active members of the Friends of the Public Bank of Oakland committee who prepared this document are Sylvia Chi, Susan Harman, Margie Lewis, Leah Mowery, Debbie Notkin, Lou Rigali, and Dress Wedding. We had editing help from other members of the Friends.

Margie Lewis conducted background interviews for this document with 9 people of color whom she met at political community events. They were selected as dynamic people of color who demonstrated influence in the community and could speak as individuals and representatives of community organizations and as individuals.

We also surveyed the 50+ organizations in the East Bay who have signed on as supporters of the Public Bank of Oakland. We received 17 responses, as follows:

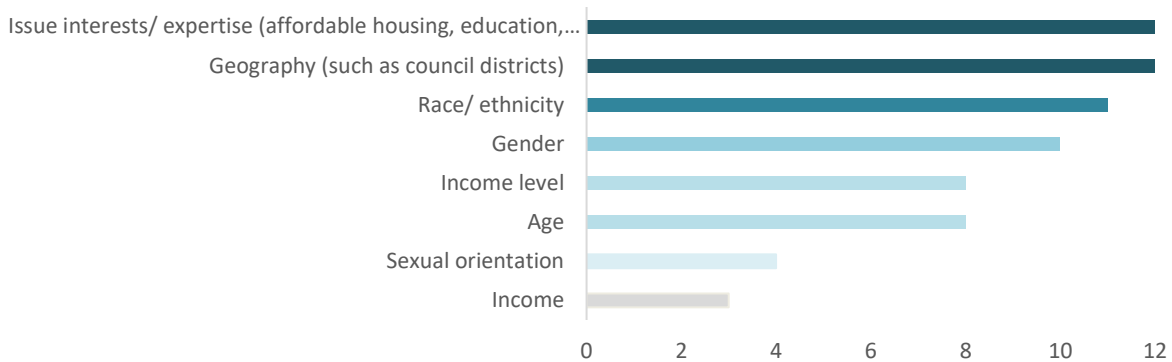
How should Community Board Members be selected?



Individual comments provided in an open response section

- Some combination with an emphasis on merit
- Combination of both - should be from community, demographic, with the intent to fill with different expertise
- We should choose the way the Oakland Police oversight commission was chosen. Each council member chose someone the selection committee had on a list. The people on the list were chosen by the criteria listed above, geography, demographics and interest.
- Issue based
- Seats should be open to any community member and filled based on commitment. If someone is committed they can always learn. If they're not committed, even if selected based on merit, that is an opportunity for apathy.
- Half merit and half representation
- Should have reference letters attesting to applicants' credibility

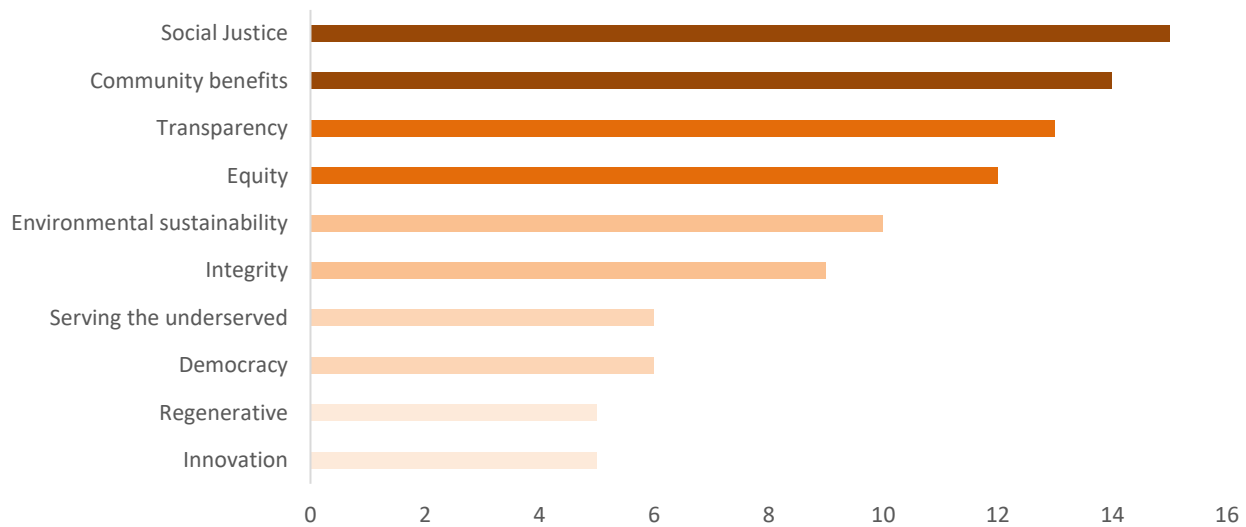
If you think Board seats should be filled by representation, please indicate what types of criteria you would like to see used?



Individual comments provided in an open response section

- Want mixed income levels and to consider educational level
- Should have diverse income levels represented. Also Urban agriculture and community energy should be important issue interests. Diversity should be a factor in all of these categories. ** Must also take into consideration candidates interests and passion and experience and knowledge as factors.
- There should be some representation from these other categories, but this should be the core criterion
- Issue interests-concerned that actual community members might get overlooked due to folks who say they are community stakeholders when they really aren't. Income level-important to have all income levels represented especially give a voice to those at the lowest end.
- Mixed income levels should be represented as well as different sexual orientations.
- No one should be excluded because of gender orientation and income should not be an exclusionary factor.
- Not income but income level
- Distribution- formerly incarcerated and/or impacted by family incarceration
- Organized labor public sectors that work for the city

What are the top four values that you want the bank to have?



Individual comments provided in an open response section

- Feel social justice is very important.
- Need a populist democracy versus a representative democracy. **Want a just transition to a regenerative economy versus an extraction economy in terms of the bank's decisions. **Want to promote a co-op economy. ** Social justice and integrity and environmental justice are inseparable. However the term environmental sustainability has become coopted so they feel better using the term regenerative.
- Integrity implies transparency and social justice implies equity and serving the underserved.
- economic viability and sustainability. the others are important too: democracy, environment, etc.
- Concerned that all other values mentioned although they sound good can just be rhetoric and not be really reflective of the values we want represented.
- Innovation is too vague. The other values listed and not checked are all redundant - they all belong under the categories that were checked.
- Serving the underserved to a degree in that don't only want their interests represented to the detriment of the rest of the bank. Ex: If bank makes too many risky loans to the underserved and that makes the bank ineffective for everyone else. Innovation should be for banking innovations not for supporting innovative tech companies as they have plenty of support.
- Def of environmental needs to include people of differing wealth levels in terms of factoring in environmental justice issues. Innovation-includes serving the people by building sustainable housing for the homeless
- Community control, creating good jobs for residents
- We support a community, city owned bank so that banking profits can serve the public and banking practices can support community development projects

Exhibit C

The Consent Model

This was written in response to a position paper by the East Bay's DOME-Huichin group, which is committed to divestment from pipelines and other government investments that harm indigenous people. We are grateful to DOME-Huichin for offering their thoughts, and we are in substantive agreement with most of them.

The position paper's recommendation for governance of the Board of Directors was:

Most indigenous Americans and indigenous Africans used such an inclusive human-family-respecting process. Quakers, the Society of Friends, have a similar process that they call "Sense of the Meeting" that springs out of the Quaker belief that "there is that of God in everyone." This process is very different in its approach from majority-rule; in majority rule participants enter into the democratic exchanges with the intent to persuade or overcome the other participants to 'win' the day. In a consensus process the participant enters in with the intent to present their deeply held concerns, listen attentively, and trust the collective group to arrive at the best outcome for everyone. Even the Occupy Movements super-majority decision making rules, failed to change the failings of majority-rule to achieve the unifying collective power of consensus processes. Majority rule leaves the minority feeling unheard, disrespected, and recalcitrant from moving forward.

We have the utmost respect for consensus process and "sense of the meeting," and we recognize the potential for the minority feeling "unheard, disrespected and recalcitrant." At the same time, drawing upon the concept of "consent" (which was introduced to us by a member of DOME-Huichin), we think there is a middle way between majority—or even super-majority—rule on the one hand and pure consensus as recommended above on the other hand.

Here's a consent model that, used judiciously, can address most or all of the concerns about majority rule while also balancing inclusion of all voices with efficiency.

- Peer-reviewed proposed solutions to open issues are sent out in advance.
- At the meeting, one person presents each solution as it was sent out, sponsoring the proposal and describing it to the board.
- Board members ask clarifying questions to understand the proposal, not to discuss or debate at this point.
- The facilitator asks for a nonbinding "mood check" to determine where the group is starting out in regards to the proposal.
- If the mood check seems favorable, the facilitator calls for Consent. A quick decision may result if no objections are raised. In that case, the proposal is immediately enacted. Consent is about acceptance rather than approval: not "Would I do it that way?" but "Does this approach have problems which will bother me going forward?"
- During the Consent round, the facilitator asks each person, "Do you have any paramount objections to the proposal?" Any objections are heard. The only discussion is clarifying questions on the objections rather than a debate or rebuttal. The proposal sponsor offers details rather than defenses; the facilitator keeps the focus on the proposal and not on the individuals.

- If Consent is not achieved, all input is valued and the proposal is altered to “integrate” the new information and resolve raised concerns until the objection is removed and another Consent round occurs.
- This loop of updating the proposal and asking for objections continues until there are no unresolved objections. If after several rounds the group cannot agree to live with the proposal as stated, the proposal is tabled and a small group is designated to work on it and bring it back when the objections have been resolved.

“Paramount objections” can, in some cases, be logistical or technical; however, the group is encouraged to hold them to one or more of the following categories when appropriate:

- The proposal is not safe enough for the bank at this time, including the possibility that it would (could) cause fractures in the board that could be difficult or impossible to repair;
- The proposal would harm any of the vulnerable communities whom the bank is committed to prioritizing;
- The proposal would move us backward away from our goal as stated above;
- Implementing the proposal could do irreparable harm to the bank or its constituents.

In the case of a public bank (or any bank), we recognize that infrequent situations may arise in which a decision must be made quickly and a proposal cannot ethically or logistically be postponed for very long despite objections. In that case, we recommend that:

- 1) The group agrees in advance (using the Consent method) that the proposal is time-bound and cannot be postponed.
- 2) At the end of several loops of the consent process, the facilitator takes a vote. Any proposal which is handled in this matter must have a 75% majority or it will not be implemented.