

**Moscow Food Co-op
2012 Board of Directors Application Packet**

Thank you for your interest in becoming a director on the Moscow Food Co-op Board!

We recommend following these two steps to better acquaint you with the Board's work and to understand the application process that will be conducted by the Elections and Nominations Committee.

STEP 1: Learn more about the Board and its system of governing.

This packet is designed to provide you with basic information regarding the Board's work and system of governance. If you would like additional information related to the Board's work, you are encouraged to contact any of our current Board members, listed on our website at www.moscowfood.coop, and attend Board meetings. Learning more about the MFC Board will help you decide what level of commitment is necessary, and whether this will be a productive and rewarding experience for you.

Materials available for Step 1:

- Board policies – binder at front desk in the Co-op
- Board meeting minutes – binder at front desk in the Co-op
- Board meeting schedule – posted in the store, on website, and in newsletter
- Current board members – listed on bulletin board in the Co-op and on Co-op website
- Current Co-op articles and bylaws – binder on front desk in the Co-op
- MFC History – included below
- 7 International Co-operative Principles – included below

STEP 2: Read, complete, and submit the attached application and conflict of interest form.

The Nominations and Elections Committee will need to know more about you and your skills, and how your skills would enhance your ability to be an effective director. They also need to know if there are any conflicts of interest that will render you ineligible to serve as a Director. **The deadline for submitting an application and the conflict of interest form is Dec. 31, 2011.** The Nominations and Elections Committee will review your application and conflict of interest form, and if you are eligible to serve as a Director, the Committee will schedule an in-person orientation (will include a short PowerPoint presentation) with candidates who have not served on the Board before.

After this process, the Nominations and Elections Committee will present the membership with the qualified candidates who are running for election or re-election.

Materials available for Step 2: (all included below)

- Application Form
- Conflict of Interest Form
- Policy D11 – Board Members’ Code of Conduct
- Policy D9 – Board Member Nominating and Election Process
- MFC Electioneering and Campaigning Guidelines

If you have any questions about the documents included in this application packet, or if you need any further information about being a MFC Board Member, please contact Nominations and Elections Committee members by emailing elections@moscowfood.coop.

BOARD STRUCTURE AND RESPONSIBILITIES

Each year between two to four board positions are open for election by the membership. MFC's board structure includes seven directors. The board elects its own board president, vice-president, and secretary.

Job Description

The Board of Directors is composed of and elected by members of the Co-op. The primary responsibility of the Board is to act as trustees of the Co-op membership by providing leadership to ensure the Co-op's future. Specific responsibilities of the Board are:

Policy D2: Role of the Board

The Board of Directors is composed of and elected by members of the Co-op. The Board acts collectively on behalf of the members.

The job of the Board is to make contributions that lead the organization toward the desired performance and assure that these outcomes occur.

The Board of Directors acts as the trustees for the Co-op membership by providing direction and oversight of governance, the financial wellbeing and the strategy to ensure the future of the organization.

The Board shall provide:

- The link between the Cooperative and its owners.
- Written governing policies which, at the broadest levels, address:

Ends: Organizational products, impacts, benefits, outcomes (what good for whom at what cost).

Executive Empowerment: Empowerments on executive authority, which establish the prudence and ethics boundaries within which lies the acceptable arena of executive activity, decisions, and organizational circumstances.

Board-General Manager Relationship: Delegation and monitoring of responsibilities.

Governance Process: Specification of how the Board conceives, carries out and monitors its own task. Assures continuity of Board through active recruitment and nominations process.

- The evaluation of the General Manager's performance.

The Board fulfills its responsibilities through a system of governance called Policy Governance. The board creates its own policies to meet the needs of the Moscow Food Co-op, using the policy governance model as originally developed by John Carver. For

additional information regarding Carver's Policy Governance, you may visit <http://www.carvergovernance.com/>. A characteristic of policy governance is that Directors have some limits. Individual Directors do not have any power; only the Board of Directors as a whole have the ability to make decisions. Another limit is that the Board of Directors operates in governance, not in operations.

The following are excerpts from the bylaws, policies, GM report, and BOD meeting minutes to show an example of how policy governance works:

This is the section of the Bylaws that discusses the Board's duty to oversee finances of the Co-op.

Section 4.1 - **Powers and duties.** Except as to matters reserved to owners by law or by these bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Co-op shall be managed under the direction and control of the Board of Directors (sometimes referred to in these bylaws as "the Board"). The duties of the Board shall include, but not be limited to, overseeing the operations and finances of the Co-op, establishing policies to govern operational decisions, engaging a manager and monitoring and evaluating her or his performance, and assuring that the purpose and mission of the Co-op are properly carried out.

This is just one policy created in order to help carry out that duty, Policy B11.

This policy is monitored annually in July

POLICY B11: PROTECT AND MAINTAIN THE PHYSICAL ASSETS

With respect to the Co-op's physical plant, the GM must establish methods and processes for preventive maintenance, must minimize excessive risk, and must record transactions or conflict of interest in the management of the Co-op's resources.

Accordingly, the GM must:

1. Maintain insurance coverage of at least 100% of the replacement value on stock, building, furniture, equipment, and cash on hand, as well as business interruption insurance.
2. Ensure overlapping safeguards and systems for handling cash.
3. Receive, process, or disburse funds under controls sufficient to meet generally accepted accounting principles.
4. Develop processes and procedures to maintain building and equipment.
5. Protect the Co-op's assets from abuse or misuse. The GM will set procedures and time lines to ensure that the Co-op's property is inventoried and establish safeguards against theft, loss or damage of property.
6. Deposit the Co-op's funds in institutions where they are fully protected and receive acceptable returns.
7. Insure that electronic records and documents are backed up according to industry standards and stored off site.

This policy shall be monitored by internal report annually and quarterly for updates.

Approved by the Board of Directors, August 12, 2008

This is the beginning of the 3-page report submitted by the General Manager to the board to report on Policy B11.

Internal Monitoring report from the General Manager

Policy Type: **Executive Empowerment** Policy Title: B11. **Protect and maintain the physical assets**

Date adopted: August 2008

I report compliance with all parts of this policy.

I certify that the information contained in this report is true.

Signed Kenna S. Eaton, General Manager

Policy language:

With respect to the Co-ops physical plant the Gm must establish methods and processes for preventative maintenance, must minimize excessive risk, and must record transactions or conflicts of interest in the management the Co-ops resources.

Operational definition/what this means:

Criteria for the protection of assets have been partially specified by the board in the sub-policies. Accordingly the GM must:

1. *Maintain insurance coverage of at least 100% of the replacement value on stock, building, furniture, equipment and cash on hand as well as business interruption insurance*

Co-op insurance for property [equipment and facility] and loss of business are annually reviewed for adequacy by management. Insurance has an automatic coverage of 6% increase annually... (continues from here)

This is the excerpt from the BOD meeting minutes where this policy was reviewed and approved.

Compliance Reports: Motion to approve monitoring report for policy B11, seconded, passed (6-0). *From July 2011 BOD Meeting*

Responsibilities of Individual Board Members

- 1 Prepare for and attend all monthly Board meetings.
2. Research issues thoroughly and to be informed about Co-op operations and issues.
3. Serve on at least two committees.
4. Know and follow the Co-op's bylaws, policies, and procedures.
5. Bring complete honesty and personal integrity to the Co-op's Board.
6. Provide leadership for the Co-op and its management.
7. Attend two weekend retreats and Board trainings.

Board Orientation and Leadership Training

New board members participate in an orientation program. It is comprised of a special orientation Board meeting, a reading program based on the Directors' information manual and a tour of the store. This program provides new Board members background about the Co-op management and current board issues. The goal is to assist new Board members in becoming effective participants right away.

Legal Responsibility and Insurance Coverage

The Board is legally responsible for running the Co-op. Board members must keep informed, think carefully, and act appropriately for what they determine is in the best interest of the Co-op. The Co-op purchases a Directors and Officers Liability Insurance Policy on an annual basis.

Eligibility

MFC owners who are in good standing (see By-laws Article II, Section 2.4 and 2.5 below) are eligible to run for the Board. MFC staff members are not eligible to be elected or appointed to the Board. Owners who have been employed or have been denied employment by the Co-op during the past two calendar years are not eligible.

Section 2.4 - **Responsibilities.** Each owner shall keep reasonably current in payment of the share purchase requirement (NOTE: see bylaws Section 2.2), and shall make purchases from the Co-op on at least an occasional basis.

Section 2.5 - **Inactive status.** An owner who becomes delinquent by three months in meeting the share purchase requirement, or who fails to make a purchase from the Co-op for a one-year period of time, shall be placed into inactive status. The participation rights of such member shall then be suspended. An owner in inactive status may attain good standing upon full payment of all arrearages or reestablishment of a patronage relationship with the Co-op. References herein to the rights and entitlements of owners shall be understood to refer only to owners in good standing.

Committees of the Board of Directors

- **Board Development:** Committee charged with identifying the education and development needs of Directors, as well as providing educational resources and experiences to fill those needs.

- By-law and Policy: Committee charged with refining and updating by-laws and governance policies to meet current and emerging needs of the Moscow Food Co-op.
- Nominations and Elections: Committee charged with identifying and recruiting nominees for elected and appointed positions, including open positions on the Board of Directors and Board committee assignments. Committee also assures elections are held on time, in accordance with our by-laws, and provides oversight to assure fairness and accuracy.
- Strategic Initiatives Committee: This is a new committee and its roll is still a work in progress. It is charged with carrying the vision of the strategic plan. It will generally consist of the executive members who will work with the GM and ad hoc committees as needed to carry out initiatives of the strategic plan.

DESIRED DIRECTOR QUALIFICATIONS AND REQUIRED COMMITMENT

The MFC Board is seeking candidates who, ideally:

- Are dedicated to the cooperative principles and values, a thriving cooperative food system, and the success of the Moscow Food Co-op.
- Understand or are in the process of educating him/herself about policy governance system.
- Are knowledgeable about the Moscow Food Co-op.
- Understand the Board's role in defining values, vision, and long-term viability of the Moscow Food Co-op.
- Have willingness and demonstrated ability to participate actively in discussions and abide by board decisions.
- Demonstrate the ability to reach out to others, cross 'party lines' and build coalitions.
- Have willingness and demonstrated ability to operate in a group decision-making environment, to share power in a group process, and to delegate areas of decision-making to others.
- Represent or have experience in areas related to MFC's business. (Retailing, farming, organic and natural foods, legal expertise, business expertise, financial expertise, public health and nutrition, food systems, etc.)
- Have no over-riding conflict of interest, expressed or known, that will interfere with his/her ability to participate and govern.
- Have commitment to prepare for meetings, willingness to participate in committee work, planning and training.
- Have the demonstrated ability to listen carefully to the membership and represent the needs of the membership.
- Can commit to the time necessary to be an effective Board member.

Time Commitment and Compensation

Without question, governing an organization effectively is a serious commitment. Board members are some of the hardest working volunteers at the Co-op. Each Board member is expected to spend a minimum of 12 hours a month on meetings and assignments. They are required to prepare for and actively participate in Board meetings every month and to serve on at least two committees that meet as arranged by committee members. Each year the Board members participate in a Board training/ leadership meeting as well as two BOD retreats that are each one weekend. The Board is a team, sharing responsibilities in a way to make its work a manageable part of members' lives. The term of a director lasts for three years. Board members receive an 18% volunteer discount on their Co-op purchases.

APPLICATION PROCESS AND BOARD ELECTION TIMELINE

The Nominations and Elections Committee consists of the Co-op outreach and ownership coordinator, at least two board members who are not currently running for re-election, and other representatives of the membership who serve at the invitation of the staff and Board Committee members. The Committee reviews applications, conducts individual candidate orientations, and presents the candidates to the membership. The Nominations and Elections Committee endeavors to present at least one candidate for each available position and more if possible.

The Nominations and Elections committee will publish the Members' Election Guide in February, a month before the election in March. The information you provide to the Elections and Nomination Committee will be published in whole or in part in the Members' Election Guide prior to the election.

Election Schedule – 2012 MFC Board Elections

Event	Deadline
N&E committee chair appointed by MFC board	done
Board review of nomination process	done
Call for nominations	done
Candidacy packet published	12/1/2011
Deadline for applications to be submitted	12/31/11
Electioneering and campaigning guidelines published	1/1/2012
Candidate orientations	first 2 weeks January
Candidates presented to membership	2/1/2012
Election guide published	2/1/2012
Formal candidate forum sponsored by Elections and Nomination committee	mid to late February
Informal "Meet the Candidates" opportunity	mid to late February
Notification of online, mail-in (due Mar. 10) and in-store voting	March 6 - 12
Deadlines for all ballots to be cast	3/12/2012
Election results announced	3/13/2012
New Board members join the board	April Board meeting

Moscow Food Co-op Board of Directors Election 2012

APPLICATION FOR CANDIDACY

Name: _____
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For Committee use only, not for publication:

E-mail: \_\_\_\_\_

10 digit Membership #  
: \_\_\_\_\_

Address: \_\_\_\_\_

City/State: \_\_\_\_\_

Telephone: \_\_\_\_\_

Cell: \_\_\_\_\_  
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1. Candidate Statement: Please respond to the following questions in the form of a candidate statement that will be distributed to our membership if you are nominated as a candidate. It is important that you follow this format in writing your statement:

- A. A resume or C.V. including employment and work experience and previous board experience (no more than 2 pages)
- B. Please describe how/if you fulfill the following desirable qualities found in a co-op board member (no more than 300 words:
 - 1. Dedicated to the cooperative principles and values, a thriving cooperative food system, and the success of MFC.
 - 2. Understands or is in the process of educating oneself about policy governance system.
 - 3. Knowledgeable about Moscow Food Co-op.
 - 4. Comprehends the Board’s role in defining values, vision, and long-term viability of MFC.
 - 5. Willingness and demonstrated ability to participate assertively in discussions and abide by Board decisions.
 - 6. Demonstrates the ability to reach out to others, cross ‘party lines’ and build coalitions.
 - 7. Willingness and demonstrated ability to operate in a group decision-making environment, to share power in a group process, and to delegate areas of decision-making to others.

8. Represents or has experience in areas related to MFC's business. (Retailing, farming, organic and natural foods, legal expertise, business expertise, financial expertise, public health and nutrition, food systems, etc.)
 9. Has the demonstrated ability to listen carefully to the membership and represent the needs of the membership.
 - C. Why would you like to serve on MFC's Board of Directors? (no more than 50 words)
 - D. What is the most pressing issue facing the Moscow Food Co-op and how do you plan to address it if elected? (no more than 150 words)
 - E. Can you make a three-year commitment to the responsibilities outlined in the candidate's packet? Do you agree to abide by the campaigning and electioneering guidelines established by the Elections and Nominations committee?
2. Please include a current photograph of yourself. A head shot is preferred. It is also preferable to receive this electronically.
 3. Please complete the attached conflict of interest statement as part of your application.

Return completed application by email to: elections@moscowfood.coop by Dec. 31, 2011. The **Conflict of Interest Form must be returned in hard copy, signed**, to Elections Committee, c/o Moscow Food Co-op, PO Box 9485, Moscow ID 83843, by Dec. 31, 2011, for your application to be considered complete. Thank you for your interest in serving MFC!

Conflict of Interest Statement and Disclosure Form

I have read Policy D11, Board Member’s Code of Conduct, and attest that if elected, I will sign it. I attest that I am not engaged in any transaction or activity that may represent a competing or conflicting interest with that of the Moscow Food Co-op. I attest that I am not engaged in nor do I intend to be engaged in any activity that puts the Co-op in legal or financial jeopardy. I understand that if I am engaged in any transaction or activity that may represent a competing or conflicting interest or that puts the Co-op in legal or financial jeopardy, that I will not be eligible to run for the Board nor serve on the Board.

I am not an employee of the Co-op, either part-time, full-time, or a substitute, and have not been an employee of the Co-op for the past two calendar years. I have not been denied employment by the Co-op during the past two calendar years.

I understand and agree that any conflict of interest that arises after I sign this form will be immediately disclosed to the Elections and Nomination committee, and to the Board.

I also understand and agree that I will not participate in final deliberation or vote on any matter before the Board in which I have, or may be perceived to have, a direct or indirect conflict of interest.

I affirm that the following are all of my business, financial, and organizational interests which could be construed to be related to the mission, vision, values, or operations of MFC. I understand that this information may be made available to members.

Business Interests:

Financial Interests:

Organizational interests, affiliations, and/or positions held:

Applicant: _____

Signature: _____

Date: _____

POLICY D9: BOARD MEMBER NOMINATING AND ELECTION PROCESS

To insure continuation of effective leadership and governance, the Board commits itself to recruiting high-quality candidates for open Board positions.

To this end we will:

1. Establish and maintain a Nominating/Election Committee(s) comprised of not less than two board members, none of whose terms will expire at the subsequent Board election. The Committee(s) will be responsible for overseeing the Nomination/Election process.
2. The Committee is responsible for overseeing the Nomination process, including, but not limited to:
 - a. Coordinating the recruitment of qualified candidates.
 - b. Assuring the eligibility of candidates and presenting a list of eligible candidates for each election. The minimum goal is to provide at least two candidates more than the number of positions to be voted on.
 - c. Preparing informational packets for candidates, which detail the requirements for Board code of conduct, eligibility, time commitments, duties and responsibilities, campaigning, and other pertinent information.
3. The Committee is responsible for overseeing the Election process, including but not limited to:
 - a. Working with support staff to carry out the election process.
 - b. Assuring that all notices pertinent to the election process are posted in a timely manner according to the bylaws.
 - c. Creating and enforcing Campaigning/Electioneering guidelines, which should generally discourage aggressive campaigning and/or leafleting.
 - d. Overseeing the process for handling, collecting and storing ballots during the election.
 - e. Overseeing the election outcome, including counting of all ballots and making results available to the General Membership. All ballots shall be stored until results are officially recorded as designated by the Board. Ballots shall be counted by two persons working together, with at least one being a member of the Nominating/Election Committee.
4. The Election Committee is responsible for overseeing special membership meetings/elections called in accordance with MFC bylaws.

This policy will be monitored annually by direct inspection.

Approved by the Board of Directors on November 9, 2010

**NOMINATIONS AND ELECTIONS COMMITTEE
ELECTIONEERING AND CAMPAIGN GUIDELINES 2012**

1. Generally, aggressive campaigning is discouraged.
2. Election and campaign material may be posted on the public bulletin board on the Co-op patio. Campaign material and literature may not be posted inside the Co-op. The Nominations and Elections Committee may post election related material inside the Co-op, including official candidate's statements, but other candidate specific material may not be posted in the store.
3. Candidates (or anyone acting on behalf of a candidate) shall not actively approach shoppers or employees for campaigning purposes either at the entrances to the Co-op, on the sidewalks or patio outside the Co-op, in the parking lot, or inside the store. A common complaint from members about Board elections is feeling "cornered" or "pressured" by candidates while shopping. This does not restrict the right of candidates to discuss election issues, to identify him/herself as candidate, or to answer questions about their candidacy and election issues when approached on Co-op property. This does not restrict the right of employees to discuss election issues and/or express preferences or campaign for particular candidates on their own time.
4. The use of Co-op funded resources for electioneering or campaigning purposes (i.e. Co-op email addresses, staff logbooks, staff time, Co-op web pages, newsletter, and social media sites, etc.) except as provided for by the Nominations and Elections Committee, is strictly forbidden. This does not restrict the right of members to submit letters to the editor of the Co-op newsletter or to the Co-op webmaster in support of a particular candidate. This does not restrict the right of candidates or anyone acting on behalf of a candidate to place paid advertisements in the Co-op newsletter. This does not restrict anyone's right to freely discuss elections issues or campaign on their own time using their own resources. This does not restrict the use of Co-op-funded resources to generally encourage voter participation.
5. Any questions or complaints about candidate behavior, or about the behavior of someone acting on behalf of a candidate, shall be addressed, in writing, providing as much factual detail as possible, to the Elections and Nominations Committee, at elections@moscowfood.coop. Decisions made by the Elections and Nomination Committee regarding any questions or complaints are final, as provided for in Policy D9.

POLICY D11: BOARD MEMBERS' CODE OF CONDUCT

I. Code of Ethics

The Board of Directors of Moscow Food Co-op adopts the following Code of Ethics to clarify any uncertainty regarding the authority of the board or individual directors. This Code of Ethics is proposed to create greater unanimity and closer coordination between directors, and among director, management and employees.

To that end, we, the directors of Moscow Food Co-op agree that:

- The **board's authority** is limited to overseeing the affairs of the cooperative in a manner deemed beneficial to the cooperative as a whole. To do this, we employ a manager to be responsible for the overall and day-to-day management of the business under the direction of the board and work with management to set the future of the co-op. We are also responsible for carrying out other duties as provided by the bylaws or by general or specific corporate laws.

- Each **director's authority** is equal only to the rights and authority of any individual member of the cooperative except when the board is in formal meeting. No individual director may take action on behalf of the cooperative alone unless explicitly delegated that authority by action of the board, and no individual director has any particular rights to information not made available to all directors.

- The **authority of the manager**, as approved by the board in the general manager's job description, is to manage the affairs of the cooperative. The manager shall employ, supervise, and discharge all employees, agents and laborers and engage in all negotiations and discussions on behalf of the cooperative as necessary and/or directed by the board.

- While an individual director may **disagree** with a policy approved by or action taken by the majority of the board s/he will accept that policy or action as being the considered judgment of the board. An individual director shall have the right to present further evidence and argument to the board for further consideration in a manner consistent with the board's practices. The board shall have the duty to reconsider its actions appropriately.

- All directors will maintain **confidentiality** as needed to protect the co-op's interest and financial viability. This means that the directors shall not discuss disputed or confidential corporate actions, policies, or issues with co-op members, employees, or the general public unless all directors agree that such information is no longer confidential. All issues related to personnel, real estate, market strategy and goals, and pending litigation will be considered sensitive issues subject to confidentiality unless or until full disclosure is approved by the board as a whole.

- Directors **serve as representatives** of the cooperative. We shall conduct ourselves in a professional manner which fosters confidence and reflects positively on the co-op, its members, and its staff. We respect the rights of other directors, staff and members to communicate their ideas free from interruption and without intimidation. All directors shall affirmatively and, at all times, disclose any/all economic conflicts of interest.

II. Code of Conduct

As a co-op director, I pledge to do my best for the Moscow Food Co-op and will:

- Devote the time needed to fulfill the responsibilities of the position;
- Attend all regular and special board and committee meetings, and if on occasion I am unable to attend, notify the board in advance;
- Be prompt, attentive, and prepared for all board and committee meetings;
- Contribute to and encourage open, respectful, and thorough discussion by the board;
- Attend and actively participate in the board's training sessions and annual planning retreat to enhance board understanding and cohesiveness;
- Disclose any personal or organizational conflict of interest that I may have and refrain from discussing or voting on any issues related to the conflict;
- Be honest, helpful, diligent, and respectful in my dealings with the co-op, with other directors, and with the co-op's management, staff, and members;
- Protect the Co-op's interest when the cooperative is contemplating entering into a transaction or arrangement that might benefit my private interest or might result in a possible "excess benefit" transaction;
- Work for continued and increased effectiveness in the co-op's ability to serve its member/owners;
- Be a team player and agree to abide by the majority action of the board, even if it is not my own personal opinion;
- Present the agreed-upon view of the board of directors, rather than my own, when I speak for the co-op board of directors to employees, members, shoppers, and the general public;
- Refrain from asking for special privileges as a board member and from interfering with management's authority;
- Work to ensure that the co-op is controlled in a democratic fashion by its members and that all elections are open, fair, and encourage the participation of all members;
- Strive at all times to keep members informed of the co-op's status and plans, and of the board's work, as appropriate;
- Continually seek to learn more about the co-op and its operations and about my responsibilities as a board member by pursuing educational opportunities.

As a co-op director, I agree to abide by this Statement of Agreement. I agree that if, in the opinion of the majority plus one of co-op directors, I have violated the letter or spirit of this agreement, I shall resign my position on the board immediately and shall not seek to cause disruptions to the co-op board for that action

Each director, principal officer and member of a committee with board-delegated powers shall annually sign a statement that affirms such person:

- a. Has received a copy of this policy;

- b. Has read and understands the policy; and
- c. Has agreed to comply with the policy.

The choice to not sign will result in immediate removal from the board of directors.

Printed Name:

Signature:

Seven Co-operative Principles

First Principle: Voluntary and Open Membership

Cooperatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political, or religious discrimination.

Second Principle: Democratic Member Control

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. In primary cooperatives members have equal voting rights (one member, one vote) and cooperatives at other levels are organized in a democratic manner.

Third Principle: Member Economic Participation

Members contribute equitably to, and democratically control, the capital of their cooperative. At least part of that capital is usually the common property of the cooperative. They usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of all of the following purposes: developing the cooperative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the cooperative; and supporting other activities approved by the membership.

Fourth Principle: Autonomy and Independence

Cooperatives are autonomous, self-help organizations controlled by their members. If they enter into agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.

Fifth Principle: Education, Training and Information

Cooperatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their cooperatives. They inform the general public -- particularly young people and opinion leaders -- about the nature and benefits of cooperation.

Sixth Principle: Cooperation among Cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together through local, national, regional, and international structures.

Seventh Principle: Concern for Community

While focusing on members needs, cooperatives work for the sustainable development of their communities through policies accepted by their members.

Adopted in Manchester (UK) by the General Assembly of the International Cooperative Alliance (ICA). 23 September 1995, on the occasion of the Alliance's Centenary. The Statement was the product of a lengthy process of consultation involving thousands of cooperatives around the world.

Moscow Food Co-op History Summary

Mission Statement:

Moscow Food Co-op building a strong, dynamic, consumer owned natural food cooperative through the use of ethical and sustainable business practices.

History:

1973: Rod Davis, Jim Eagan, Katie & Dave Mosel open the Good Food store on 2nd St. First months sales \$126.88. Second month's sales: over \$1000

1974: Co-op incorporates with 25 new members. A Community Action Agency grant helps the Co-op.

1975: Store moves to new location on S. Main. Name officially changes to Moscow Food Co-op

1976: Co-op organizes Farmers Mkt. Market eventually given over to the Art's Commission.

1978: Co-op moves again to 314 S. Washington. First year Co-op participates in Renaissance Fair

1980-1982: Co-op faces stiff competition from area supermarkets. Managers sent to business seminars and volunteers receive more training. Co-op gets aggressive about broadening its appeal- cookware; socks, coffee and vitamins are sold.

1983: Sales slowly increase upwards

1984: Store remodeled- new paint, new floor tile and new floor plan

1985: New management system adapted, from co-coordinators to a General Manager w/ assistants. Co-op loses investment in Equinox (regional wholesaler) due to their collapse

1986: Co-op faces financial difficulties. Members chip in and make a difference. A new produce cooler is purchased

1989: Co-op moves to 310 W. 3rd, former home of Kentucky Fried Chicken, gets its first parking lot and business increases 40%

1990: Co-op opens its own bakery. 2nd cash register is added.

1991: Co-op gets new, large walk-in cooler and the annual holiday bazaar is started.

1992: Staff increases to 20 and sales break \$100,000 for December. Offices are moved upstairs.

1993: Co-op celebrates 20th anniversary. Staff and shoppers feel very cramped at present location; Board begins the search for a new facility.

1994: Staff resets entire store, brings in paint & new fixtures in an attempt to create more space.

1996: General Manager is sent to Consumer Co-operative Management Institute to increase knowledge and upgrade business skills.

1998: Co-op celebrates its 25th anniversary with a Taste Fair and a party. Negotiations are successful for a new location and co-op members lend the store over \$77,000 to remodel & relocate.

1999: Co-op re-opens in its new location @ 221 E. 3rd St. with increased sales floor, increased kitchen space and a loading dock. Sales grow 38% in first year.

2000: The Co-op continues to grow and prosper in its new location with sales growth of 15%. The Co-op adds an indoor seating area for the deli.

2001: Co-op becomes financially stronger and starts to take a more active role in the community. Working with other Co-ops in the NW, MFC begins a joint buying and advertising program to bring in better deals for its members (CapWest) and sales grow.

2002: Sales for the Co-op continue to grow @20% for the year. Co-op is able to start 2% Tuesdays: a grant program to award 2% of sales from Tuesdays in one month to a local organization. Co-op purchases and installs a POS system using touch screens and perpetual inventory.

2003: Sales continue to grow as we begin to feel cramped in our office space. We work on improving internal systems and growing a financially sound business.

2005: Co-op negotiates a 15 yr lease on the old Safeway building in the heart of downtown Moscow. The move was made in October, sales immediately doubled as did the staff.

2008: Co-op adds an outreach department.

2009: Co-op has its most profitable year ever despite a drop in sales due to the poor economy. Dime in Time program replaces the old 2% Tuesdays. Good Food Film Series launched.

2010: Co-op adds a salad bar, rearranges the deli seating area, and members approve a change in the articles to allow patronage refunds. Annual sales are more than \$7 million. Co-op creates Mamas and Papas group, and hires a participating member coordinator and a promotions and product education coordinator. CAP sales name to Co-Op Deals and become semi-monthly instead of monthly.

2011: New general manager is hired.

The Co-op currently employs about 100 employees. Wages for staff totaled \$1,525,775 in 2009 including benefits. The Co-op thrives in part because of help from our participating members. Members volunteer their services to the Co-op in return for a discount on their purchases. In 2009 the Co-op gave out \$96,232 in discounts to members and volunteers.