January 17, 2020
Policy A – Global Ends, last revised: June 14, 2016
I report compliance with all parts of this policy.
Unless indicated otherwise, this data is accurate as of January 17, 2020
I certify that the information contained in this report and any attachments is true.

General Manager

Policy Language

Policy A1.1 *Building on the foundation of the Seven Cooperative Principles, the Moscow Food Co-op shall: Promote the local, sustainable, and organic foods economy.*

Interpretation

Co-op stakeholders have an interest in local food and in supporting local growers and producers. The Moscow Food Co-op, which operates a community natural foods store, is thus charged with being a champion of the local, sustainable, and organic foods economy. The Moscow Food Co-op exists to serve its owners and the community while educating them about the importance of sourcing local, sustainable, and organic food.

With the introduction of P6 in 2016, we updated our definition of local. We define *local* as *grown within 250 miles of the Co-op and/or produced within the state of Idaho and/or produced within the state of Washington.*

Sustainable agriculture is legally defined by US Code Title 7, Section 3103. At the Co-op we rely on the University of California Sustainable Agriculture Research and Education Programs explanation of sustainable agriculture. We interpret *sustainability* with regard to food systems as the idea that *we must meet the needs of the present without compromising the ability of future generations to meet their own needs. Sustainability* is, therefore, stewardship of human resources and natural resources.

The USDA defines the term *organic* with regard to food as that which *is produced using sustainable agricultural production practices.* The agency goes on to say that use of conventional pesticides; fertilizers made with synthetic ingredients or sewage sludge; bioengineering; and ionizing radiation is prohibited. Organic meats, eggs, and dairy products come from animals that have not received antibiotics or growth hormones. The Co-op relies on this definition and use of the USDA Organic label to highlight certified organic foods.

Promote is interpreted as meaning *contributing to the growth or prosperity of*. In the case of our Co-op's operations, *promoting* means that we actively seek to grow the local, sustainable, and organic foods economy by:

- Offering a broad selection to consumers
- Paying producers fair prices for local food & goods
- Actively promoting the value of buying local food and goods to the larger economy

Operational Definition

- The Co-op will increase purchases of locally sourced food and goods
- The Co-op will provide direct and indirect education for consumers about the importance of the local, sustainable, and organic food economy
- The Co-op will merchandise with an emphasis on local products & education
- The Co-op will build and maintain relationships with local producers & vendors
- The Co-op will establish relationships & partnerships with other community organizations that support the local, sustainable, and organic foods economy

Data

- Local Purchases:

	Total Local Purchases
2015	$ 556,602.00
2016	$ 640,502.00
2017	$ 662,924.25
2018	$ 778,741.00
2019	$ 802,520.94

- In 2019, the Co-op co-sponsored the PCFC Food Summit and Love Your Farmer, Love Your Food again. Additionally, we offered 26 classes on topics like wine and beer styles, Healthy Eating on a Budget, and wellness through food. We showed six films free at the Kenworthy through the Food For Thought film series, and are planning to convert that program to a support program for local film screenings in 2020 and beyond. Co-op Kids and Mamas + Papas continued to grow and now serve more families than ever.
- The Co-op Education and Events Coordinator continued to serve on the planning committees for both the Food Summit and Love Your Farmer. The Co-op is featured prominently in all promotional materials for these events, making it plain to see that we are deeply involved in our local food system.
- Through features in Rooted, posts on our Facebook and website, and our eNewsletter, the Co-op continued to position itself as a source of knowledge and learning where shoppers interested in becoming more informed can meet and learn from experts in topics like personal nutrition, food systems, and local food and drink.
- Rooted continued to focus on local farmers, while also shining a light on other parts of our diverse food system, such as our relationship with food scientists and local food rescue nonprofits like Backyard Harvest and Food Not Bombs.
- We have continued to build our relationships and partnerships with other community organizations that support the local, sustainable, and organic foods economy, including

organizations such as both the Moscow and Pullman Chambers of Commerce and Buy Local Moscow. In 2019, the Co-op Education and Events Coordinator served on the planning committee for Moscow's Eat Local Month, helping to promote local farm tours, food banks, and food education events like our Healthy Eating on a Budget class.

- We adjusted the Dime in Time program to make a greater impact to organizations selected as beneficiaries and supported local non-profits and other food-related programs. The Dime in Time program had two of its best quarters ever in the end of 2019, generating over $27,000 in donations for local nonprofits over the course of the year.
- The Co-op received 98 neutral or positive media placements in 2019, including favorable coverage in trusted publications such as the Lewiston Tribune, Moscow-Pullman Daily News, and several features by student writers at the UI Argonaut.
- The Business Partner program continues to grow and add new local businesses to its ranks. More business partners than ever are now also participating in the Vendor Table program, taking advantage of the valuable opportunity to interface directly with Co-op shoppers.
- By stepping away from the National Lentil Festival, the Co-op was able to seize other opportunities to deepen relationships with local organizations. We partnered with both the Moscow Farmer's Market and the Pullman Farmer's Market to provide youth programming that helped position the Co-op as a family-friendly destination for shoppers of all income levels.

Data shows accomplishment in the last year.

Policy A1.2 *Be a workplace of choice for all employees.*

Interpretation

The Moscow Food Co-op should be an excellent place to work.

Being a workplace of choice means that the Moscow Food Co-op is one of the best employers in the region – the regional workforce would choose to work at the Co-op over most competitors. To help achieve this, the General Manager is responsible for creating a rewarding work environment for our many talented employees.

As mentioned in the introduction to this report, it is the relationships between the co-operative and its owners that truly create the co-operative difference. A co-operative is defined by and draws strength from its relationships. Although the relationships between the co-op and owners are important, it is the relationships between the co-op and its employees that matter the most.

A rewarding work environment is one where the employer works to build relationships with employees by nurturing a healthy workplace culture, maintaining excellent workplace communication, offering robust development programs, and offering competitive pay and benefits.

Operational Definition

- The Co-op will nurture workplace culture by providing opportunities for connection between employees

- The Co-op will maintain excellent systems for workplace communication
- The Co-op will invest in staff development and training
- The o-op will offer competitive pay and benefits

Data:

- Providing opportunities for staff to connect with one another enhances workplace culture. We provide many different ways for staff to connect, ranging from weekly Open Book Management huddles to annual staff parties.
- Excellent workplace communication is essential to maintaining healthy, rewarding relationships with employees. We communicate in many ways including a weekly update called *The Dirt* that goes to all departments and staff.
- Robust training and development programs contribute to a rewarding work environment.
    - We invested over $19,000 on training and staff development in 2019
    - Over 69% of managers and department heads were internal hires
- Pay and Benefits
    - Effective for the last pay period of 2019, the starting wage at the Co-op was increased to $10/hour. A plan is in place to raise wages another dollar over the course of FY2020.
    - Insurance and retirement:

2019 Benefits	% of eligible staff participating	$ Invested
Health insurance premiums, 100% covered by the Co-op	85%	$312,131
401k matching investments	39%	$24,974

    - We continue to offer a 20% staff discount, generous Paid Time Off, and many additional work perks.

Data shows accomplishment in the last year.

Policy A1.3 Increase *economic and cultural accessibility for all community members.*

Interpretation

All co-operatives exist to serve the shared needs and aspirations of our ownership. Our Co-op strives to meet these shared needs while also ensuring that all members of the greater community are welcomed. In order to achieve this, we must address and overcome real and perceived barriers, upholding the right of all persons alike to purchase healthful foods at the Co-op.

In its simplest form an **economic barrier** is nothing more than **affordability**. Economic barriers are the easiest to overcome.

Cultural barriers are more difficult to define. They consist of:

- The **perception of elitism,** which includes the notions that the Co-op is only for rich people, only for healthy people, or only for well-educated people.

- A **lack of knowledge about & comfort with natural foods** stemming from a lack of exposure to co-ops and natural foods.
- **Misperceptions about co-ops and co-op ownership** includes confusion about whether non-owners can shop, if non-owners have to pay a surcharge, and general underexposure to the Co-op business model.
- **Confusion about industry political issues** including misconceptions about vegan & vegetarian lifestyles, about what Non-GMO means & why it matters, or about what free-range means.

All of the **cultural barriers** described above can only be addressed by intentional education and outreach that reaches beyond our current customer base.

Operational Definition

- The Co-op will actively increase affordability while maintaining financial fitness for our business operations.
- The Co-op will provide outreach & education to address issues of cultural accessibility, reaching out to under-represented segments of our larger community.

Data

- Affordability
  - The Co-op offers several programs that provide need based discounts to owners and customers:

	Senior Discounts	Student Discounts	FLOWER Discounts	FLOWER Participants
2014	$ 1,700.73	$ -	$ -	0
2015	$ 37,641.57	$ 15,758.10	$ 4,740.84	46
2016	$ 56,994.00	$ 21,968.00	$ 8,328.00	66
2017	$ 72,643.66	$ 21,220.85	$ 8,238.77	88
2018	$ 78,824.71	$ 23,763.17	$ 18,966.71	116
2019	$ 90,496.52	$ 21,325.07	$ 62,894.60	163

  - The Co-op also offers other discount programs:

	Wellness Wednesdays	Owners Weeks	PO Program	Deli Rewards	Staff Discounts
2014	$ 7,100.00	$ 23,402.00	$ 56,915.00	$ 14,914.00	$ 94,482.00
2015	$ 6,400.00	$ 43,280.00	$ 56,831.00	$ 17,787.00	$ 102,902.00
2016	$ 5,538.00	$ 80,573.00	$ 52,306.00	$ 18,438.00	$ 98,788.00
2017	$ 5,398.57	$ 82,388.70	$ 54,950.28	$ 18,310.62	$ 97,102.67
2018	$ 4,382.36	$ 52,877.23	$ 53,195.90	$ 23,676.24	$ 96,762.32
2019	$ 4,071.13	$ 57,042.67	$ 51,861.60	$ 25,179.80	$ 83,796.18

  - Co-op Basics Program (an Every Day Low Price program)

	2014	2015	2016	2017	2018	2019
Co-op Basics Items	0	42	200	235	241	246

- We regularly provide education to address cultural barriers, including classes, the FED Initiative and Demo Programs, and other tasting events. Our education programs connect shoppers with knowledgeable experts in fields like nutrition, home brewing, mental wellness, and winemaking.
- In 2019, we added a series of premium classes on popular topics like wine and beer tasting at a slightly higher price. This brought in over $200 in revenue for the Co-op and had a net positive effect on class attendance and registration.
- We also provide outreach to address cultural barriers, including working with students at both the University of Idaho and Washington State University, and with the Headstart Program. This year, the Co-op began using UI's GivePulse service to advertise events and classes to students, which consistently brought in more student attendance to Co-op events. This, combined with direct engagement at the Co-op on Campus, allowed us to strengthen relationships with student shoppers.
- We increased our FLOWER discount from 10 to 20 percent in 2018 and more than doubled our participation in that program, directly increasing our economic accessibility for community members affected by food insecurity. FLOWER registration continued to increase and now serves 171 owners (as of January 15, 2020).

Data shows accomplishment in the last year.

Policy A1.4 *Educate our owners, customers, and the wider community about food and food systems.*

Interpretation
Our Co-op strives to be an influential champion of the local food system, and as such we are responsible for educating our community about food and food systems.

Food is simply the things that people eat. A *food system* is essentially everything from farm to table. *To educate* means that we provide accurate, thoughtful, and well-researched information with the intention of improving the knowledge base of our community and helping to create better consumers.

It is the goal of our Co-op to directly and/or indirectly educate consumers and community members about all aspects of local food from the farm to the table.

In-store education about food and food systems takes place in both formal and informal ways.

- Formal food education happens as part of the FED Initiative, as part on-site outreach and education programs, and with informative signage around the store.
- Informal food education happens when customers interact with knowledgeable employees.

Beyond-store education about food and food systems includes written and digital education and off-site classes, workshops, and outreach programs. Beyond-store education also includes education that occurs in partnership with other community groups who focus on the local food system.

Operational Definition

- The Co-op will provide in-store education for customers
- The Co-op will provide beyond-store education for the community
- The Co-op will provide food and food systems education for staff

Data

- The Co-op hosted 26 classes in 2019, including our Healthy Eating on a Budget series, Zero-Waste Cooking, a series on Wine Tasting and Beer Styles, and a class on Kombucha brewing at home. In addition, we expanded our farm tour and crop mob opportunities, adding two more crop mobs and four more farm tour events at local partners like the WSU Organic Farm and Swallowtail Flowers.
- The FED program was revamped to alleviate the burden on the Co-op Kitchen, which often faced limited prep time that made meeting the day's needs more difficult. We continue to offer demo events at key times like Owners Week and Tasteful Thursdays.
- The Co-op continues to offer in-store educational opportunities about food & food systems at events such as Cheese Madness, Owners Weeks, and Tasteful Thursdays.
- The Co-op also offers education about food & food systems outside of our retail establishment. These efforts include our participation in the PCFC Food Summit, Love Your Farmer, Love Your Food, the National Lentil Festival, and the POP Club program through the Moscow Farmers Market. We expanded non-retail offerings with educational farm tours, crop mobs, and continued support for the Love Your Farmer and Palouse Clearwater Food Summit events.
- We take additional steps to educate staff about food and food systems weekly at our OBM huddles, in department meetings, and through our publications. Additionally, we offered optional educational sessions for employees on wine tasting and pairing.
- The following programs were updated in 2019 to make a greater impact in our community: Farm Tours, Crop Mobs, and Co-op Classes.

Data shows accomplishment in the last year.

Policy A1.5 *Model environmental sustainability through our activities, facilities, products, and services.*

Interpretation

Our concern for community comes alive in our initiative to model environmental sustainability. On behalf of our owners, we are consistently & actively striving to minimize the Co-op's environmental impact. Our impact includes our direct resource consumption, the amount of garbage we produce, the amount of cardboard we recycle, the amount of compost we generate, and the environmental impact of the products we sell.

We consider sustainability to be an important piece of our business operations. Because A1.1 addresses our support of the local, sustainable, and organic foods economy, that data is not repeated here. The information below is in addition to our work on A1.1.

Operational Definitions

- Our Co-op will maintain an active sustainability committee that engages in meaningful work.

- Our Co-op will utilize NCG's Co+efficient program to track and publish metrics for the environmental cost of our business.
- Our Co-op will educate the community about sustainability issues.

Data:

- The Co-op's Sustainability Committee has been working with the City and Latah Sanitation to encourage & support the development of a municipal composting program, and working with PCEI to improve our own composting program.
- We donated over **10,325** pounds of food to the area food banks (compared to just 5,900 in FY 2018).
- Our composting partnership with PCEI diverted thousands of pounds of food from the solid waste stream.
- We launched the **Sustainable Silverware Program** to eliminate single-use plastic utensils from our prepared foods areas.
- We made some packaging changes to reduce the amount of plastic we're putting into the waste stream – we eliminated plastic clamshells on our salad bar and we now package our cookies in paper bags.
- We began participating in the **TREX** plastic recycling program.
- We continue to utilize NCG's Co+efficient platform to track sustainability data.
- We continue to champion the Bicycle Benefits Program which rewards our shoppers for riding their bikes with a 5% discount. We enrolled an additional 34 participants in 2019.
- We continue to reward the reuse of cloth shopping bags and reusable coffee cups through our Dime in Time Program. Eight Organizations and the Co-op Community Fund benefitted from Dime in Time donations in 2019. After changing the program's format, we saw a dramatic increase leading to two of the best quarters ever for the program, with over 8,000 donations in the third quarter of 2019. This is around 2,000 more individual donations than we were averaging per quarter previous to the change in format.

Dime in Time	# Reusable bags/cups	$ Donated
2015	63,850	$ 6,385.00
2016	58,710	$ 5,871.00
2017	46,897	$ 4,689.70
2018	57,172	$ 5,717.21
2019	84,597	$ 8,459.70

- We continued to support events like the UI Sustainability Center's Earth Month, Love Your Farmer, Eat Local Month, and the Food Summit.
- We offer education focused on sustainability as part of our other educational programs, such as the Food For Thought Film Series, the Good Food Book Club, our printed publications, and some of the classes we host.

Data shows accomplishment in the last year.

Policy A1.6 *Grow and expand to further our mission.*

Interpretation

All of the possible options our Co-op has for future growth and expansion must be considered in relation to our mission statement, *Working Together to Nourish and Nurture our Community*. We must ask ourselves if a growth scenario supports our intention to work cooperatively in the nurturing and nourishing of our community.

The word community means many things. For our purposes, we are using an all-encompassing definition that includes all inhabitants of our region as part of our community, not just the smaller community of current Co-op owners. By *community* we mean anyone who lives in our region and may someday become a customer of our Co-op, including children.

Using this definition of community makes the challenge of nurturing and nourishing a big job.

Operational Definitions

- The Co-op will grow its support for community organizations
- The Co-op will grow its ownership numbers
- The Co-op will work to grow the co-operative economy
- The Co-op will expand its business in ways that are fiscally responsible

Data:

- Monetary support for community organizations:

Community Contributions	
2014	$ 18,595.00
2015	$ 19,419.00
2016	$ 20,724.00
2017	$ 16,614.55
2018	$ 17,192.23
2019	$ 19,147.57

- We've donated countless hours working with many community organizations in support of common goals, such as the Palouse Clearwater Food Coalition and Buy Local Moscow.
- Ownership numbers

New Ownerships/Equity $		
2014	1572	$ 63,071.43
2015	1600	$ 65,747.98
2016	1566	$ 67,353.47
2017	1320	$ 65,422.30
2018	1370	$ 64,304.78
2019	1252	$ 63,113.00

- Co-operative economy
  - Customer count bounced back from a decline in 2017, thanks in part to the campus location.

Customer Count		% Change
2014	527,442	
2015	557,784	5.8%
2016	572,132	2.6%
2017	555,597	-2.9%
2018	579,935	4.4%
2019	556,798	-4.0%

  - Our Cooperative Community Fund continues to grow.

Co-op Community Fund Growth	
2016	$ 8,224.26
2017	$ 13,890.50
2018	$ 6,074.50
2019	$ 5,835.47

  - The Co-op continues to belong to **National Co-op Grocers**, a cooperative of natural foods cooperatives. This relationship provides training and support for our staff and our business.
  - I continue to serve on the Board of Directors of the **Main Street Video Cooperative.**
- Business expansion its business in ways that are fiscally responsible
  - The Moscow Food Co-op opened its second location on the University of Idaho campus at 822 Elm Street in Moscow.
  - We completed a center store remodel in 2018 to improve both working conditions for staff and the customer experience.
  - Additionally, we spent 2018 preparing to move our Bakery from downtown to the North Almon Business Park, nearly tripling production space.

Data shows accomplishment in the last year.