

GP 8 – Cooperative Giving Programs

In furtherance of its Ends, the Hanover Consumer Cooperative Society (Co-op) engages in multiple giving efforts comprised of, but not limited to, programs called *Pennies for Change* and the *Hanover Cooperative Community Fund (HCCF)* as well as product discounts to non-profit organizations and food donations to *Willing Hands*. Together, these programs advance the Co-op's goals of providing value to the local community, regional agriculture, and the broader cooperative economy.

GP 8.1: General Principles

The Co-op's several giving programs are organized under the following four themes:

- (1) Food assistance,
- (2) Community building (including support of regional agriculture),
- (3) Promotion of cooperative principles and activities, and
- (4) Environment, energy and sustainability.

The pursuit of any additional themes is a decision reserved to the Board of Directors.

The Co-op may provide assistance both in-cash and in-kind.

GP 8.2: Pennies for Change

This is a voluntary program inviting shoppers to round the payment for their purchase to the next higher dollar value. While the Co-op collects the monies at its cashier stands, the accumulated money is not the Co-op's, and the Co-op only acts as a collection and distribution agent. The accounting is separate from the Co-op's operations.

In order to preserve the non-taxable nature of the revenues, proceeds may only be directed toward 501(c) (3) organizations.

GP 8.2.1: Distribution

The proceeds will be added and distributed on a monthly basis to five (5) separate organizations, three (3) of which will each receive 20% of the amount of the month and will remain the same for the entire calendar year. The remaining two (2) organizations will change monthly according to a pre-established schedule and share the remaining 40%. (See GP 8.2.2 below. Altering this arrangement is a prerogative of the Board of Directors).

GP 8.2.2: Supervision

- The supervision of the program and selection of recipients will be facilitated by a *Pennies for Change Selection Committee* including a member of Outreach and Member Services, the Treasurer *ex officio*, and at least two other members appointed annually by the General Manager.
- The Committee will convene at least quarterly and at the call of the Chair.
- The Committee will consider requests for donations and set the schedule of recipients for the next 12 months on a rolling basis.

GP 8.2.3: Financial Reporting

The Pennies for Change Selection Committee will be responsible for the preparation of a brief annual report to the Society at its Annual Meeting.

GP 8.3: Hanover Cooperative Community Fund (HCCF)

As a permanently endowed fund, managed by the Twin Pines Cooperative Foundation a tax-exempt 501(c) (3) corporation, HCCF is intended to grow over time and a portion of its annual return will be available to fund:

- The Gerstenberger Scholarship Fund, and
- HCCF Community Project Grants.

The Board of Directors guides the fund through the HCCF Advisory Committee.

GP 8.3.1: Supervision

- The supervision of the program, including communications with TPCF and recommendations for disbursements, will be facilitated by a member of the HCCF Advisory Committee.
- Each year, the Board of Directors shall elect one of the current Directors as a member of the HCCF Advisory Committee. The Board will also designate a Chair of the Committee who will serve in such capacity for a term of one year or until a successor is duly elected and qualified.
- The Chair of the Committee will select the remaining members, subject to the approval of the Board of Directors.
- The Committee will have a minimum of four members.

GP 8.3.2: Contract with the Twin Pines Cooperative Foundation (TPCF)

The HCCF Advisory Committee will follow the most recent contract made with TPCF and will also ensure that the most recent contract is available in the Board of Directors files.

GP 8.3.3: Fundraising

Fundraising activities are to take place on at least an annual basis in order to continue to grow the Fund administered by TPCF.

The nature of these activities and the target amount to be raised each year are left to Management.

GP 8.3.4: Distribution

The HCCF Advisory Committee will recommend to the Board annual disbursements from TPCF interest in accordance with EL 9 guidelines and the TPCF contract.

GP 8.3.5: Financial Reporting

The HCCF Advisory Committee will be responsible for an annual report to the Board of Directors, which will include:

- Disbursement recommendations, including: (a) name and nature of each recipient organization or individual, (b) respective amounts, (c) percentages of the total donation going to each organization, (d) mention of which Co-op giving theme(s) each donation meets, and (e) a list of organizations that have applied.
- Cash flow statements
- Contributions and investments performance.

The HCCF Advisory Committee will also be responsible for the preparation of a brief annual report to the Society at its Annual Meeting.

GP 8.4: The Allen and Nan King Award for Service to the Community

At its Annual Meeting, the Co-op will recognize the achievements of one or several Co-op members who have demonstrated concern for the community by bestowing on them the *Allen and Nan King Award for Service to Community*.

The Award is normally given to a single individual, but several people, such as a couple, may be recognized if their work was collaborative.

The administration of this award is the sole responsibility of the Board of Directors, who will set the standards, call for nominations, make the selection, and set the amount of the award.

GP 8.5: Other In-cash Programs

At the discretion of Management, the Co-op may engage in additional financial support, such as a small donation program in response to requests.

Donations and payments made for the Co-op's self-promotion are considered as marketing expenses and do not fall under this policy.

GP 8.6: In-kind Programs

Food that is no longer of store quality but remains edible shall not be wasted.

- Perishables that no longer meet store standards but are still deemed fit for human consumption will be given to local food assistance programs such as *Willing Hands*.
- Food waste suitable for animal feed will be given to farms.

Employees may provide in-kind community services as part of their employment, at the discretion of Management.

GP 8.7: Administration

Excepted for the specific rights and duties of the committees assigned to supervise Pennies for Change and the HCCF, in accordance with GP 8.2 & 8.3 above, and for the Allen and Nan King Award as described in GP 8.4, the administration of the Co-op's giving programs is the responsibility of Management. These responsibilities include:

- The promotion of the programs,
- The development and publishing of policies guiding decisions,
- The collection logistics of the goods (in-cash & in-kind),
- The distribution of the collected goods to their intended recipients,
- Publication of the names of the recipients (for organizations and individuals who receive \$500 or more).
- Annual reporting to the Board of Directors.

This policy will be monitored annually by direct report of the Pennies for Change Selection Committee and HCCF Advisory Committee and, separately for the programs under Management supervision, by direct report of the General Manager. (See Appendix for monitoring report guidelines.)