



Starting an Online Local Food Co-op

A Case Study from the Iowa Valley Food Cooperative

Written by K. Jesse Singerman, Prairie Ventures, LLC

The purpose of the Iowa Valley Food Cooperative is to increase the resiliency of the local food system in Eastern Iowa by developing the market, increasing the sale, and building the infrastructure for fresh, fairly-priced, sustainably produced food in our local region.



LEOPOLD CENTER

This case study was prepared as part of a competitive grant from the Leopold Center for Sustainable Agriculture located at Iowa State University. The two-year grant, Development of an Online Local Foods Buying Club Cooperative [M2011-03], was awarded to the Iowa Valley Resource Conservation and Development, Iowa City, Iowa. For a more details and a summary of project findings, go to the Leopold Center website, www.leopold.iastate.edu

July 2013

To contact the author:

K. Jesse Singerman

Prairie Ventures, LLC

Iowa City, IA

Jesse.singerman@mchsi.com

319.338.1874

Acknowledgements:

Many thanks to Jason Grimm, Iowa Valley Resource Conservation & Development, for the formatting and visual appearance of this report. Photos by Jessica Rilling and Jason Grimm.

TABLE OF CONTENTS

4	INTRODUCTION
4	THE MARKET FOR LOCAL FOOD
7	SALES MODELS FOR LOCAL FOOD
10	ONLINE LOCAL FOOD MARKETS
13	OVERVIEW OF THE IOWA VALLEY FOOD CO-OP
17	HOW IOWA VALLEY FOOD CO-OP WORKS
18	THE INTIAL STEPS OF THE CO-OP'S FORMATION
20	IMPORTANT DECISIONS ALONG THE WAY
28	SUMMARY AND KEY LESSIONS
31	THE FUTURE
32	TOOLS AND SAMPLES DOCUMENTS



Figure 1: Daily Bread Bakery delivering an order

INTRODUCTION

Iowa Valley Resource Conservation & Development (RC&D), in cooperation with Prairie Ventures LLC, developed the Iowa Valley Food Cooperative (IVFC), a web-based, direct-to-consumer marketplace for food, fiber and other items from producers in eastern Iowa. The IVFC opened in Cedar Rapids, Iowa in August of 2011, after two years of organizing work. It is based on the pioneering work of the Oklahoma Food Cooperative and the Iowa Food Cooperative in Des Moines, IA. The cooperative uses open-source software to facilitate the commercial sale of local and regional food, fiber and other products from its producer members to its consumer members.

As of January 2013, the IVFC has over 360 members and has sold approximately \$120,000 of food, fiber and other locally produced items to its members. Profitable since the first year of operation, the co-op is positioned for continued growth and success. Each sales cycle brings new members and new vendors together in a growing network of local food enthusiasts in eastern Iowa.

This case study seeks to share what we have learned to help other groups found similar co-ops.

THE MARKET FOR LOCAL FOOD

Consumer interest has driven a fast growing and vibrant marketplace for local foods for at least a decade. The USDA calculated that local food sales through all channels grossed \$4.8 billion in 2008 and estimated that sales would be \$7 billion in 2011,¹ an enormous rate of growth.

The desire for local food is one expression of the current food culture in the US and its principles of freshness, health, authenticity and transparency.² For example, minimally processed, simple whole foods are the order of the day and contemporary definitions of health are strongly associated with local, natural, organic and sustainable food and drink.³ It is now commonplace for consumers to seek out food with attributes that are important to them, and research how food is grown and marketed before buying it. In addition, many consumers now take pleasure in direct,



Figure 2: Farmers' market table

¹Low, Sarah A., and Stephen Vogel. *Direct and Intermediated Marketing of Local Foods in the United States* ERR-128. U.S. Department of Agriculture, Economic Research Service. Nov. 2011.

² Movitz, Michael. Personal interview, 26 Dec. 2012.

³ Technomic. "What's "healthy" at restaurants? Technomic finds consumers' definitions are evolving." Press release. *Technomic*, 3 Jan. 2013. Web. 18 Jan. 2013. <http://www.technomic.com/Pressroom/Releases/dynRelease_Detail.php?rUID=200>

personal interactions with producers. These conditions have helped to dramatically increase the demand for local food because knowing the farmer and how the food is grown is part of the system.⁴

Consumers purchase local food for a host of reasons, from obtaining healthy, fresh food for their families, to supporting their local economy and local family farmers, to doing their part to reduce climate change and promote more sustainable forms of agriculture. Moreover, studies show consumers are willing to pay higher prices for locally produced foods that demonstrate quality, nutritional value, growing practices with positive environmental impacts, and support for local farmers.⁵

The burgeoning interest in American regional cooking and food traditions is also fueling interest in local food and fresh farm-grown ingredients. The American regional culinary movement is considered one of the most promising and long lasting food trends of the decade.⁶

The statistics are impressive:

- Nationally, the number of farmers' markets has grown from 2,863 in 2000 to 6,132 in 2010, representing growth of 114 percent.
- In a 2013 consumer survey, 85 percent of respondents called the presence of local foods "very important" to their choice of food store, up from 79 percent in 2009.⁷
- In a 2012 survey of nearly 1,800 chefs, locally grown food was picked as the top restaurant trend for 2013, which is the fifth year in a row local food is the top restaurant trend.⁸
- About one-quarter of the produce sold at Whole Foods now comes from local farmers, up 55 percent

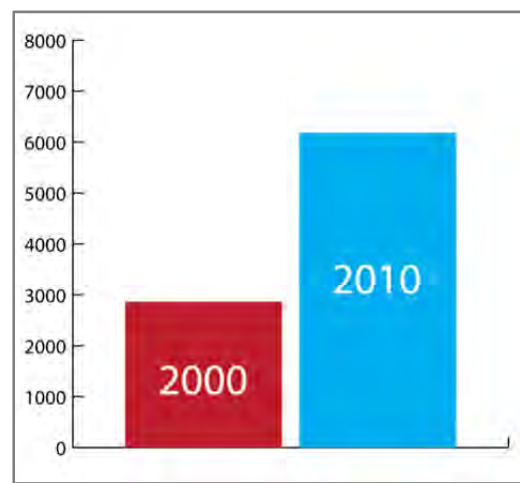


Figure 3: Farmers' markets grew 114 percent in the U.S. from 2000–2010

⁴ Hartman Group. "Food Culture: 2012 Year in Review." *Hartbeat Newsletter*. Hartman Group, 20 Dec. 2012. Web. 31 Dec. 2012. <<http://www.hartman-group.com/hartbeat/food-culture-2012-year-in-review>>

⁵ Martinez, Steve, et al. *Local Food Systems: Concepts, Impacts, and Issues* ERR 97. U.S. Department of Agriculture, Economic Research Service, May 2010.

⁶ "Top Ten Food Trends Show Lasting Influence of Weak Economy on Consumers Decisions." News release. IFT. Institute of Food Technologists, 22 Apr. 2011. Web. <<http://www.ift.org/newsroom/news-releases/2011/april/22/top-10-food-trends-show-lasting-influence-of-weak-economy-on-consumers-decisions.aspx>>

⁷ Lempert, Phil. "Get on Board with Local Foods: NGA-SG Study." 15 Feb. 2013 The Lempert Report. <http://www.supermarketguru.com/articles/get-on-board-with-local-foods-nga-sg-study.html>. Web 22 July 2013.

⁸ Kelso, Alicia, "NRA releases 2013 culinary forecast." *Fast Casual*, 4 Dec. 2012. Web. 19 Dec. 2012. <<http://www.fastcasual.com/article/204691/NRA-releases-2013-culinary-forecast>>

from seven years ago.⁹

- Studies have shown that foods that are locally grown hold great appeal for consumers, provided those products consistently offer the taste, freshness, quality, and value consumers are looking for.¹⁰ Additionally, studies show that consumers who value high-quality foods produced with low environmental impact are willing to pay more for locally produced food.¹¹
- Data collected in 2007 by the U.S. Department of Agriculture indicates that 12,549 farms in the United States marketed products through a Community Supported Agriculture (CSA) arrangement, a form of direct-to-consumer farm sales virtually unknown 20 years ago.¹²
- Almost 6 million school children took part in Farm to School activities in the 2011–2012 school year. This included procuring local food products for school meals and snacks, farmers in the classroom, and many other educational activities related to local foods and school gardens. The number of school districts involved totaled 2,338, with almost 12,500 individual schools reporting participation.¹³
- Legislation and government support of local food systems is on the increase (with the notable exception of the 2008 Farm Bill Extension passed during the fiscal cliff negotiations):
 - The USDA now maintains a website dedicated to local food systems, “Know Your Farmer, Know Your Food,” with blogs, research and funding information:
<http://www.usda.gov/wps/portal/usda/knowyourfarmer?navid=KNOWYOURFARMER>.
 - The Healthy Hunger-Free Kids Act of 2010 aimed to significantly change the content of school meals by encouraging schools to increase the amounts of fresh fruits and vegetables served, authorizing a higher reimbursement rate for the increase, giving USDA authority to establish new national nutrition standards for foods sold at schools throughout the day, and providing \$40 million in mandatory funding for a new farm to school grant program.¹⁴
 - Other federal policies and programs that have supported local food initiatives in the past have included the Community Food Project Grants Program, the WIC Farmers’ Market Nutrition Program, Senior Farmers’ Market Nutrition Program, Federal State Marketing Improvement Program, National Farmers’ Market Promotion Program, Specialty Crop Block Grant Program and the Community Facilities Program.

⁹ Wolverson, Roya. “Local Food Grows Up.” *Time* 180.16, 15 Oct. 2012: B1-B8. Print.

¹⁰ Pirog, Rich. *Ecolabel Value Assessment Phase II: Consumer Perceptions of Local Food*. Ames, IA: Leopold Center for Sustainable Agriculture, May 2004. Web. 31 Dec. 2012.
<<http://www.leopold.iastate.edu/sites/default/files/pubs-and-papers/2004-05-ecolabel-value-assessment-phase-ii-consumer-perceptions-local-foods.pdf>>

¹¹ Martinez, Steve, et al. *Local Food Systems: Concepts, Impacts, and Issues* ERR 97. U.S. Department of Agriculture, Economic Research Service, May 2010.

¹² Alternative Farming Systems Information Center. *Community Supported Agriculture*. U.S. Department of Agriculture, National Agriculture Library, 15 Apr. 2013. Web. 6 Jan. 2013.
<<http://www.nal.usda.gov/afsic/pubs/csa/csa.shtml>>

¹³ Farm to School. *Results from the 2011-2012 Farm to School Snapshot Survey*. National Farm to School Network, 30 Nov. 2012. Personal communication Anupama Joshi.

¹⁴ Rosenberg, Nathan and Emily Leib. *Expanding Farm to School in Mississippi: Analysis and Recommendations*. Harvard Law School Health Law and Policy Clinic, May 2011.

- State and local policies supporting local food have also increased. Examples abound of farm-to-institution procurement policies, promotion of local food markets, incentives for low-income consumers to shop at farmers' markets and creation of State and County Food Policy Councils to discuss opportunities and potential impact of government intervention.¹⁵

However you look at it, local food has exploded into the marketplace and consumer consciousness. At the same time, the definition of local food varies from buyer to buyer, a functioning supply chain into major markets can be hard to find, and it has proven difficult for many farmers to achieve scale. In addition, it would be naïve to assume that the appellation "local" is enough to guarantee that the food is healthy and produced in a way that is respectful of the environment and supports the local economy. For example, Walmart has come under intense criticism for its use of the word "local" in its procurement policies.¹⁶ At the end of the day there is no certification for the term "local" to ensure the seller is delivering benefits that the buyer anticipates.

After all the success, entrepreneurial effort and acceptance of the past 20 years, local foods are still no more than one percent of all the food eaten in America.¹⁷ Nevertheless, no one can doubt the momentum and success of the local food movement. It is clear that changes in the food system are in process. If trends hold steady the next few years should bring outreach to more consumers, new infrastructure development and rebuilding, additional sales through mainstream outlets, and more precise data and knowledge of local foods.

SALES MODELS FOR LOCAL FOOD

Local food is sold either directly to consumers or through intermediated channels. Direct methods include farmers' markets, farm stands, on-farm sales and CSA's. Intermediated methods use one or more middlemen to get the food to consumers. For example, distributors, retailers and restaurants may all buy from local farmers and sell the products to their customers in one form or another.

Currently, most local foods are marketed through intermediated channels, which accounts for up to 66 percent of the value of all local food sales. Farms marketing food commodities exclusively through intermediated channels reported \$2.7 billion in local food sales in 2008—over three times higher than the value of local foods marketed exclusively through direct-to-consumer channels.¹⁸

As the market for local food and the network of local food advocates has developed nationally certain common difficulties and gaps in the system have surfaced. Aggregation of product to achieve

¹⁵ Martinez, Steve, et al. *Local Food Systems: Concepts, Impacts, and Issues* ERR 97. U.S. Department of Agriculture, Economic Research Service, May, 2010.

¹⁶ Mitchell, Stacy. "Walmart's Greenwash." Institute for Local Self-Reliance, Mar. 2012. Web. 12 May 2012. <<http://www.ilsr.org/new-report-walmarts-greenwash/>>

¹⁷ Wolverson, Roya. "Local Food Grows Up," *Time* 180.16, 15 Oct. 2012:B1-B8. Print.

¹⁸ Low, Sarah A., and Stephen Vogel. *Direct and Intermediated Marketing of Local Foods in the United States* ERR-128. U.S. Department of Agriculture, Economic Research Service. Nov. 2011.

the volume and steady supply needed by intermediaries, difficulty finding cooled storage, inefficient transportation, distributors willing or able to handle multiple products from small and medium-sized producers, and lack of processing facilities to extend the life of seasonal product (such as cleaning, cutting, freezing) have all been cited in multiple regions as significant barriers to the growth of local food systems. However, a host of exciting and varied experiments are now taking place around the country to find solutions to these problems.¹⁹

One interesting model of local food sales that is gaining popularity is online ordering. The online approach combines elements of both direct and intermediated sales and provides flexibility and convenience to both seller and buyer. It is being used successfully in many settings for direct-to-consumer sales, and also to support sales of local food through intermediaries such as retailers and institutional buyers.

The Move to Digital

The internet has always been important to the direct sale of local food. Many farmers have their own websites and connect with their consumers that way. Local food businesses using software designed for internet sales—such as Local Harvest (1999) and the Oklahoma Food Co-op (2003)—have existed for years. However, it can be argued that we are now entering a materially different era in terms of digital sales. Consumer acceptance of online shopping has skyrocketed in the past few years, along with an explosion of retailers making use of online tools.

Online shopping in the US topped \$226 billion in 2012 and is projected to grow another 45 percent to \$316 billion by 2016. At that time it is estimated that online shopping will account for nine percent of total retail sales.²⁰ In 2012, the National Retail Federation holiday survey showed for the first time that over half of U.S. consumers planned to buy gifts and other holiday items over the internet.²¹



Figure 4: Homepage of the Iowa Valley Food Co-op website

¹⁹ Barham, James, Debra Tropp, Kathleen Enterline, Jeff Farbman, John Fisk, and Stacia Kiraly. *Regional Food Hub Resource Guide*. Washington, DC: U.S. Department of Agriculture, Agricultural Marketing Service, Apr. 2012. <<http://dx.doi.org/10.9752/MS046.04-2012>>

²⁰ Rueter, Thad. "E-retail spending to increase 62% by 201." *Internet Retailer*, 27 Feb. 2012. Web. 23 Nov. 2012. <<http://www.internetretailer.com/2012/02/27/e-retail-spending-increase-45-2016>>

²¹ Rueter, Thad. "More Holiday Shoppers Head On-line," *Internet Retailer*, 16 Oct. 2012. Web. 23 Nov. 2012. <<http://www.internetretailer.com/2012/10/16/more-holiday-shoppers-head-online>>

Growth in online shopping is driven by a host of factors but primary factors are the improvement of websites and services by online retailers, and a steady growth in the number of shoppers. As a result the number of web shoppers is estimated to grow from 167 million in 2012 to 192 million in 2016. By 2016, each shopper will spend an average of \$1,738 online, a 44 percent growth over 2012.²²

Although buying habits for groceries have not shifted to the degree they have for consumer electronics (where 50 percent of computers and 30 percent of other consumer electronics brought in the U.S. were purchased online in 2011), consumer packaged goods purchases are also steadily shifting to e-commerce sites. Consumers spent approximately \$15 billion online for packaged goods in 2010 and in 2011 approximately 12 percent of internet users said they had bought grocery items online.²³ The process and convenience of online shopping is becoming more and more familiar to consumers of all ages.

Mobile internet access and web-based social networking sites are also greatly accelerating these trends. In 2012, over half of Americans had a profile on a social networking site. And contrary to what you might expect, growth in social networking users is greatest among people 45 years and older. Nearly two thirds of social networkers use social sites at least daily and 58 million Americans use social networking sites “several times a day.”²⁴ The impact has been profound. In fact, a recent Harris Interactive study showed that messaging delivered on a mobile device is more than twice as likely to be read than other forms of communication, generally within five minutes of being delivered.²⁵

In addition, the use of social networking sites to share food experiences is very widespread. For example, 54 percent of consumers say they use social media to discover new foods and the same number say they use social media to share food experiences; 49 percent of consumers say they learn about food via social networking and 40 percent say they learn about food via websites, blogs or apps.²⁶

However you look at it, consumers are expanding their use of digital media to shop, plan, prepare and engage with food,²⁷ and retailers of all types are providing consumers with a growing number of digital platforms. The future is clear. Consumer packaged-goods companies will increasingly tap into

²² Rueter, Thad. “E-retail spending to increase 62% by 201.” *Internet Retailer*, 27 Feb. 2012. Web. 23 Nov. 2012. <<http://www.internetretailer.com/2012/02/27/e-retail-spending-increase-45-2016>>

²³ Enright, Allison. “E-retail gains more ground.” *Internet Retailer*, 18 May 2011. Web. 23 Nov. 2012. <<http://www.internetretailer.com/2011/05/18/e-retail-gains-more-ground>>

²⁴ Edison Research. *The Social Habit*. The Social Habit, June 2012. Web. 11 Dec. 2012. <<http://socialhabit.com/secure/wp-content/uploads/2012/07/The-Social-Habit-2012-by-Edison-Research.pdf>>

²⁵ Robinson, Andy. Managing the Digital Requirement for Shopper Marketing. *Brick Meets Click*. 22 Oct. 2012. Web. 13 Dec. 2012. <http://www.brickmeetsclick.com/digital-shopper-marketing-managing-new-requirements>.

²⁶ Hartman Group. “The Online Grocery Shopper.” The Hartman Group, N.d. Web. 11 Dec. 2012. <<http://www.hartman-group.com/downloads/online-grocery-shopper>>

²⁷ Hartman Group. “The Online Grocery Shopper.”

the power of digital shopping on a number of fronts,²⁸ and online grocery shopping will become more and more commonplace in the years to come.

ONLINE LOCAL FOOD MARKETS

New online grocery services and online outlets for selling and delivering local food are sprouting up daily. Some websites, such as Local Dirt, simply aim to put buyers and sellers together. The actual sale and delivery of the product is left up to the farmers and buyers. Other entities facilitate a more elaborate marketplace, where product from multiple producers is offered for sale, dropped off, aggregated, picked up and delivered to consumers. Significant practitioners of the marketplace model include:

- Oklahoma Food Cooperative, www.oklahomafood.coop
- Relay Foods, www.relayfoods.com
- Idaho's Bounty, www.idahosbounty.org
- Irv and Shelly's Fresh Picks. www.freshpicks.com
- Green BEAN Delivery, www.greenbeandelivery.com

All of these services and businesses operate a little differently but all of them provide a basket of items to choose from, information about producers and growing practices, facilitated payment methods, aggregation of orders from numerous suppliers to individual consumers and arrangements for delivery or pickup.

Two dominate ownership models are emerging from this relatively new area of commerce: privately owned and financed businesses, and non-profit or cooperative businesses. Examples of each are now described.

Relay Foods



One of the most interesting and fastest growing of these online businesses is Relay Foods, a privately owned company in Charlottesville, Virginia. Relay sources and delivers food in Virginia, Maryland, Washington, D.C. and Philadelphia. Founded in 2007, Relay designed and built a proprietary software system that connects consumers with select local growers, retailers, restaurants and food producers in an online shopping and delivery service. As their website states, the Relay mission is “to make eating quality, healthy, and sustainable food simple.”

²⁸ Bishop, Bill. “Anticipating the Future of Shopper Marketing : A Guide to What’s Next.” *Brick Meets Click*, 3 Dec. 2012. Web. 11 Dec. 2012. <<http://www.brickmeetsclick.com/anticipating-the-future-of-shopper-marketing--a-guide-to-what-s-next>>

Product offerings feature many local farmers and producers, but Relay's services are not limited to local foods. They sell a wide variety of produce and grocery items sourced from local businesses, including specialty items like Whole Trade bananas from Whole Foods, and prepared foods from local restaurants. Part of their model is to provide a very broad selection of basket items to their customers. Because they choose which vendors to offer through their system, they control product selection and quality.

Customers fill an online basket with the items they wish to buy, pay for their order online with a credit card, and select a pickup time and location from among the selections offered. Time, day and pickup locations are specified by Relay. They also offer direct home delivery for an additional fee.

The orders are collated and sent to vendors for fulfillment and delivery or pickup. Relay then consolidates individual consumer orders into insulated boxes and puts them on a truck destined for a predetermined pickup site, such as a parking lot, hospital, work site or other easily accessible location. Consumers meet the truck and pick up their order at a pre-arranged window of time. In this way Relay is able to maximize equipment utilization and capacity and minimize cost to the company.²⁹

Relay's website features digital profiles of suppliers with product information and photographs. In this way the company works to build a sense of connection and trust with consumers. They have successfully built on the current consumer interest in transparent sourcing and authenticity, while also leveraging the shift to digital communication and purchasing that is driving so much societal change.

Relay is well funded by private investors and has followed an expansion model that emphasizes profitable growth.³⁰ They are currently the largest online food marketplace in the Mid-Atlantic, delivering 25 truckloads of food each week to their delivery area, with aspirations to go national.³¹

Oklahoma Food Cooperative

A counterpoint to Relay is the Oklahoma Food Cooperative (OFC). It provides similar services to producers and consumers, but in a cooperative setting where shared work and core values of social justice, environmental stewardship and economic sustainability have driven the decisions and

²⁹ Hartman Group. "Relay Foods Interview: Growth of Online (Local) Grocery." *Hartbeat*. The Hartman Group. 24 Oct. 2012. Web. 31 Oct. 2012. <<http://www.hartman-group.com/hartbeat/relay-foods-interview-growth-of-online-local-grocery>>

³⁰ Perlroth, Nicole. "An Online Grocer for Web 2.0. Just Don't Call it Webvan 2.0." *Forbes*, 1 June 2011. Web. 12 Nov. 2012. <<http://www.forbes.com/sites/nicoleperlroth/2011/06/01/an-online-grocer-for-web-2-0-just-dont-call-it-webvan-2-0/>>

³¹ Ingalls, Laura. "Zach Buckner thinks Relay Foods' online grocery model is ready for the national stage." *C-Ville*, 4 Dec. 2012. Web. 18 Dec. 2012. <http://www.c-ville.com/zach-buckner-thinks-relay-foods-online-grocery-model-is-ready-for-that-national-stage/#.UPw35_LfPbx>



operations of the cooperative since its inception. Started in 2003 by a small group of dedicated volunteers led by Robert Waldrop, bootstrapping, sharing resources and building community are part of their DNA.³² For example, OFC's early software system was homegrown and is still available as a free, open-source resource to other cooperatives.

Judged a success from the beginning, by 2012 OFC had over 3,800 members and processed 600 orders monthly. Using OFC's online sales program, 200 producers generated about \$70,000 monthly from 4,000 products offered to consumer members of the cooperative.³³ All items sold through the cooperative are grown or processed in Oklahoma and by their producer members. Producers set their own prices and maintain their own items and inventory in the co-op's system. OFC's role is to maintain the online marketplace, establish producer and product standards, and provide the aggregation, delivery and payment processes necessary to facilitate this exchange.

The cooperative manages routing and delivery to over 50 drop-off locations around the state. They lease a warehouse for drop-offs and sorting and own several trucks and trailers for deliveries. A full-time general manager and a part-time logistics manager, along with a cadre of volunteers, manage the operation and coordinate activities needed to keep the cooperative functioning.

OFC acts as an agent for producer members by posting and publicizing their products, receiving orders and providing delivery. OFC also collects payment from multiple consumers and combines the payment into one check for producers. For consumer members, OFC provides a convenient listing of available local foods that includes information about how and where the product was grown or processed. Consumer members are able to buy from many local producers at one time and have their choices combined into a single order for pickup and payment.



Figure 5: Greens Organics delivering their order on opening day

³² Diamond, Adam and James Barham. *Moving Food Along the Value Chain: Innovations in Regional Food Distribution*. Washington, DC: U.S. Department of Agriculture, Agricultural Marketing Service, Mar. 2012. Web. <<http://dx.doi.org/10.9752/MS045.03-2012>>

³³ Diamond, Adam and James Barham. *Moving Food Along the Value Chain: Innovations in Regional Food Distribution*.

OFC collects 10 percent from producers and 10 percent from consumers, yielding a 20 percent gross margin with which to fund the operations of the cooperative. In addition, the cooperative collects \$51.75 from each member as their share of equity investment in the cooperative.³⁴

The stated goals of OFC include recreating the local food system in Oklahoma, discovering the unique and regional tastes of their area and rediscovering the importance of local food production to healthy local communities.

The Iowa Valley Food Co-op follows the Oklahoma model.

OVERVIEW OF THE IOWA VALLEY FOOD CO-OP

IVFC is a direct-to-consumer cooperative of producer and consumer members in the Cedar Rapids/Iowa City area. IVFC is a web-based cooperative where consumers can order products directly from area farmers and other local businesses. The cooperative acts as a facilitator, providing a marketplace for all types of local producers, processing orders and payments and arranging for delivery to consumer members.

Our mission and purpose was first approved by an informal steering committee in the summer of 2010 and is reproduced here.

Mission and Purpose of IVFC

The purpose of the Iowa Valley Food Cooperative is to increase the resiliency of the local food system in eastern Iowa by developing the market, increasing the sale, and building the infrastructure for fresh, fairly-priced, sustainably produced food in our local region.

In addition, Iowa Valley Food Cooperative exists to support and develop existing local producers; to support and develop new farmers, including non-traditional farmers such as urban farmers; and convert more acreage to regional food production. The cooperative seeks to build linkages, partnerships and business relationships with other sustainable, local and regional food system participants.

Iowa Valley Food Cooperative prefers to provide sustainably produced products from its members, to its members; and to partner with other consumers, producers, cooperatives and businesses that share similar goals.

The first discussions of the potential for IVFC occurred in the summer of 2009 between Jesse Singerman of Prairie Ventures LLC and Jason Grimm, Food System Planner for the Iowa Valley RC&D. The discussion centered on the idea of founding an online local food co-op in the service area of the RC&D. Both were aware that a similar co-op—the Iowa Food Co-op (IFC) —was flourishing in Des Moines.

³⁴ From the Oklahoma Food Cooperative website <http://www.oklahomafood.coop/welcome.php> Web. 3 January 2013.

Jesse's background included many years as CEO and President of Blooming Prairie Warehouse (BPW), a natural and organic foods distributor based in Iowa City, Iowa. Blooming Prairie's sales base consisted of natural food retails, supermarkets, restaurants, institutions and buying club cooperatives. Over 1,700 buying clubs used BPW's services in 2003 and some of them had been in business for over 20 years themselves. Although the clubs were largely volunteer organizations they proved to be enduring and resilient customers of the warehouse. Jesse saw many parallels between the IFC in Des Moines and the buying club formats that had proved so sturdy at BPW. More properly termed a modified retail format, buying clubs offered services at lower cost and with less infrastructure needs than conventional retails and had the advantage of only dealing in pre-sold goods.



Figure 6: Counties where farmers were surveyed

In the summer of 2009, Jason Grimm had just started as Food System Planner at the Iowa Valley RC&D. With a degree in landscape architecture from Iowa State University as well as a background in farming, Jason brought many connections to the local farming community to his work. Under Jason's leadership the Iowa Valley RC&D formed the Iowa Corridor Food and Agriculture Coalition (ICFAC), and developed a food systems plan for nine counties in eastern Iowa: Linn, Johnson, Iowa, Benton, Tama, Washington, Cedar, Jones and Poweshiek. The ICFAC plan noted the need for more local food producers; the need to redevelop the formerly vibrant food and processing network in the region; the need to restore the social and cultural heritage of producing local food; and the support for an expanded local food system among residents.

As part of this regional food plan Jesse and Jason began working on the development of the Iowa Valley Food Cooperative. One of the first steps taken by the organizers was a consumer survey to assess interest in local and organic food in Johnson and Linn Counties. The survey was designed and administered electronically as a joint project of Prairie Ventures LLC, the Iowa River Valley RC&D and a University of Iowa student group from the John Pappajohn Entrepreneurial Center. The survey asked questions concerning participants' attitudes and

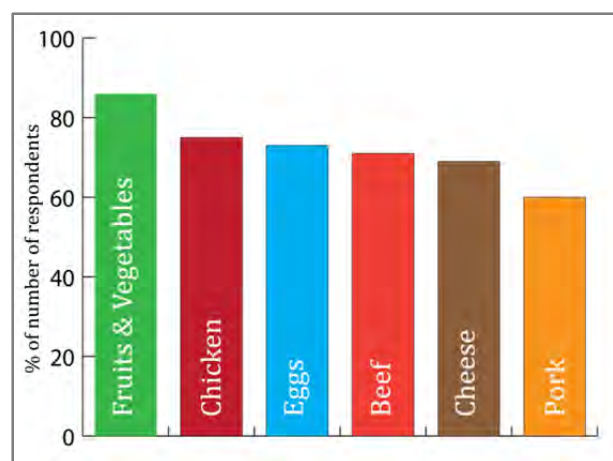


Figure 7: Top six products requested in survey

perceptions about local and organic food, and evaluated the possibility of forming a cooperative to link consumers directly with local farmers.

The survey was open for three weeks in November of 2009. Responses were solicited by email at several large employers in Johnson and Linn Counties. The typical survey respondent was under 40, well-educated and with a household income above the national median of \$50,303 for 2008.³⁵ Seventy-six percent of respondents lived in households with two adults; 44 percent stated they had children under 18.

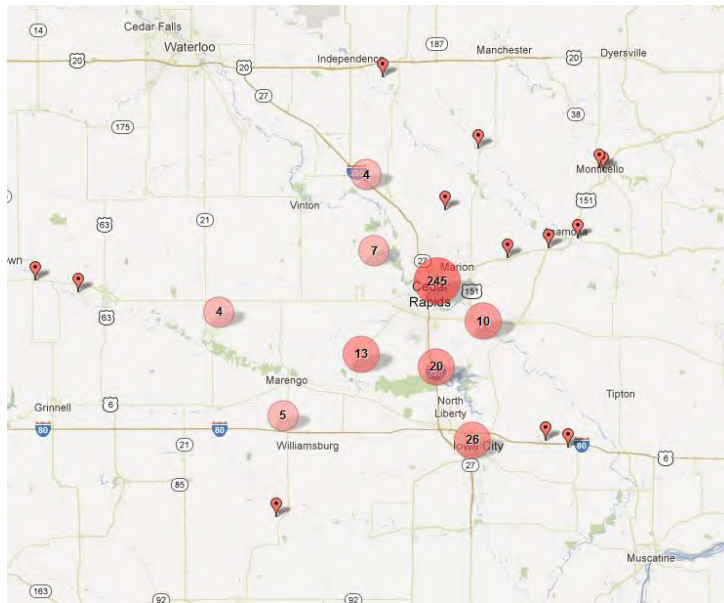


Figure 8: Consumer members as of February 2013

Consumers who answered the survey overwhelmingly shopped at conventional grocery stores and supercenters, with very low or infrequent purchasing from CSA subscriptions, farmers' markets, existing buying clubs and natural food stores.

Noteworthy results of the survey included strong positive values associated with local and organic food. Buying locally grown food was rated as extremely to very important by almost 60 percent of those responding. Almost 70 percent indicated that they were extremely or very likely to participate in a cooperative linking consumers directly

with local farmers. Both organic and local foods were perceived by survey respondents to have positive attributes as compared to similar foods that are not organic or local. Local and organic foods were both rated as being more environmentally responsible, while local food in particular was rated as tasting better.

Respondents were also asked to rate the most important reasons to participate in a local food cooperative. The top three reasons chosen were: to obtain fresh food, to support local family farmers and to support the local economy. Top products requested from the buying club were fresh fruits and vegetables, chicken, eggs, beef and cheese. Food safety was chosen as the most important criterion for food purchased from the buying club, followed by low price, good land stewardship practices and humanely raised animals.

³⁵ The 2010 Statistical Abstract of the United States, <http://www.census.gov/compendia/statab/2011/tables/11s0690.pdf>. Web. 22 July 2013.

The results of the survey provided a sound basis for outreach to funders and to members of the community during the next two years of organizational work. In addition, it guided organizers in looking for producers and in helping producers to assess opportunities. It was an important first step for the cooperative and helped lay the groundwork for many other milestones on the journey to the successful opening of IVFC in August 2011.



Figure 9: Producer members as of February 2013

During this time, the guidance and support of the Des Moines group—particularly the experience of manager Gary Huber—proved enormously useful to the new cooperative. In fact, IFC wrote a small amount of money into a grant by the Blooming Prairie Foundation in early 2010, to be used for planning and organizing of a local food cooperative in the Cedar Rapids/Iowa City area. In addition, IFC consulted freely with IVFC organizers, sharing best practices and many ideas and operating details.

Currently, IVFC has been in operation for 17 months. After renting space from a local church for the first 12 months, IVFC now leases its own space and owns the equipment needed to manage the distribution of product to members. As of January 2013, the cooperative has 68 producer members and over 300 consumer members. About 100 orders are processed every month by a revolving set of volunteers. Since August 2011, IVFC has distributed approximately \$120,000 of locally grown meat, vegetables, baked goods, cheese, eggs and other dairy products, as well as non-food and personal care items to members. Each sales cycle brings new consumers and vendors together in a growing network of local food enthusiasts in eastern Iowa.

Still managed by Jesse and Jason, who now function as part-time, volunteer co-managers, IVFC achieved a profit in each of its first two years of operation and is well positioned for continued growth and expansion.

In addition, the cooperative is now governed by an active, seven-person board of directors. The board is responsible for setting policy and strategic direction for the cooperative, ensuring the cooperative's success and financial viability, and representing the best interests of all members

collectively. Ultimately, it is the board that ensures that the cooperative can meet its legal and regulatory requirements, and is able to provide quality services to its members. Each IVFC board member commits a significant amount of time through an active committee structure and participation in the activities of the cooperative.

HOW IOWA VALLEY FOOD CO-OP WORKS

- Producer members list their products, prices and production practices on the IVFC's website, www.iowavalleyfood.com.
- Producer members may only sell products through IVFC that they themselves have raised, grown, processed or crafted. Producers describe their own products and keep their farm identity throughout the sales transaction.
- The sales basket opens on the first of the month and closes several weeks later. The sales cycle, opening and closing dates and dates of distribution are established on an annual basis and are well publicized to members.
- Consumer members place household orders for the products listed online until the basket is closed. They buy from many different producers at once and can pay for their orders online or at distribution. Invoices are generated by the system when the basket closes.
- When the basket closes producers print a final invoice to see what customer orders they have to fill. Random weights for meat and other items are added to the file as the orders are filled. Producers know exactly what they have sold before they deliver.
- Distribution takes place on the third Wednesday of the month. Producers bring product to the distribution site during a set time frame early in the day. Consumer members come to the site and pick up their orders that evening.
- At distribution a group of supervised volunteers receives product from producers, manages the process of sorting product and storing it, prepares orders for pick-up by consumers, and fills each order as the customers arrive. IVFC collects payments from consumers as they check out.
- IVFC manages the ordering system, recruits and communicates to members, manages volunteers, screens producers and products to be sure they meet cooperative guidelines,



Figure 10: Co-op staff and volunteers check in vendor orders



manages the distribution space and provides frozen and cooler storage, and collects and manages payments for consumers and producers.

- IVFC also arranges publicity and promotion for the co-op and for the producers of the co-op, and is responsible for administration, including paying taxes, maintaining a retail license and supporting board and member activities.
- IVFC operates year round providing a consistent market for producers.
- Co-op membership is open to all. Producers pay a one-time redeemable and transferable membership fee of \$75, consumers pay \$25. Both groups pay a \$10 annual fee to cover administrative costs. In addition, the co-op collects 10 percent from producers and 10 percent from consumers on all orders to cover the operating costs of running the co-op and buying equipment.

Further details on how the cooperative was organized and its current performance are contained in sections that follow.

THE INITIAL STEPS OF THE CO-OP'S FORMATION

As previously discussed, one of the first steps taken in late 2009 was a consumer survey. The survey helped determine potential customers, their reasons for supporting a local food cooperative and the products they wanted to buy. This information guided many decisions as the cooperative was forming.

Producer outreach activities began in early 2010 with a survey of potential producers from a 16-county region. They were given basic information about the cooperative and asked to

indicate their interest in participating. Contacts were made by phone, postcard and letter. Thirty-three producers, representing a diverse selection of products, responded that they were interested in knowing more. A database was created for this information which developed into a standardized format for member contacts. Regular upkeep of the database information and an easy way to share the information—using the web service, Dropbox (www.dropbox.com)—proved very valuable and was identified as a best practice. A sample of the database format is found in the *Tools and Sample Materials* section.



Figure 11: Members picking up their orders



Figure 12: Orders are organized by member number

The first open meeting to organize the cooperative occurred on March 27, 2010, at the library in Marion, Iowa (see agenda in *Tools and Sample Materials*). The meeting was widely publicized, with press releases to local media, email invitations and other outreach to interested groups and individuals. It was a very successful meeting, with over 40 people in attendance. Presentations were given summarizing the completed consumer research and producer outreach. The IFC's Gary Huber gave an overview of how their co-op worked and the steps they went through in organizing their business, which helped make the idea of IVFC a reality for those in attendance.

The group then broke into small groups to consider whether starting a similar cooperative in the Cedar Rapids/Iowa City area was desirable. There was widespread support for the idea. The group also gave feedback on next steps and how a steering committee might be formed to move the idea forward.

This meeting was the beginning of monthly steering committee gatherings. A revolving group of participants met monthly until the first board of directors was named in September 2011. In addition, the response of meeting attendees provided the impetus to begin seeking funding for the project.

Laying the Groundwork

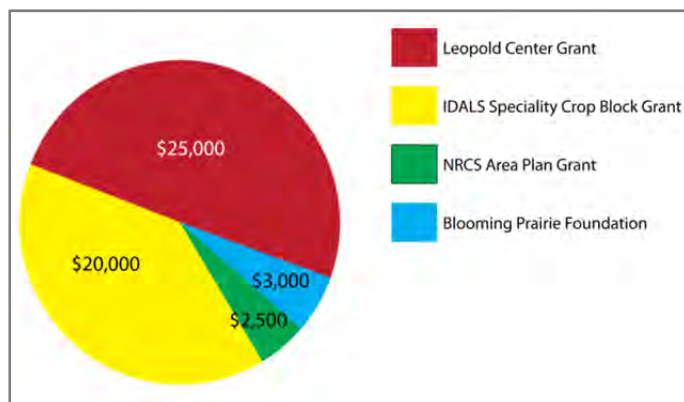
To open the cooperative, certain important tasks and milestones had to be achieved during the planning stage. They included:

- Establishing a mission and purpose for the cooperative.
- Developing a start-up business plan, including a marketing plan and financial projections for the first year of operation.
- Determining all licenses and permits needed to open.
- Establishing product standards, producer guidelines and terms of sale (see *Tools and Sample Materials*).
- Determining producer member eligibility criteria and desired product mix.
- Designing publicity, PR and events to recruit consumer and grower members, with a goal of having 35 producer members and 100 consumer members at opening.
- Completing the co-op's legal incorporation, including bylaws and articles of incorporation.
- Creating an accounting system.
- Deciding on the software needed to facilitate member transactions. Arranging for its installation and modification.

- Creating a website to provide visibility for the organizing effort and to communicate with current and potential members.
- Creating standard operating procedures and food safety procedures.
- Identifying and securing an appropriate distribution location based on established criteria (see *Tools and Sample Materials*).
- Determining the equipment and supplies needed to open the cooperative.

Sources of Funds

The funding sources in the adjacent diagram supported one third to one half of the time used to organize and open the cooperative. Other items paid for by these grants included attorney's fees to incorporate the cooperative, accountant and bookkeeping fees to set up the books, initial software setup and troubleshooting, professional website design, several mailings, copying and some mileage reimbursement. Only \$3,200 could be used for equipment needed to open the cooperative.



By the time IVFC opened its doors in August 2011, an additional \$6,620 in member equity had been raised from approximately 140 members. Since opening, all equipment, supplies and other costs have been paid for from the equity investment of members and the revenues of the cooperative (see attached 2012 P&L, balance sheet in *Tools and Sample Materials*.)

A second year of the Leopold grant in the amount of \$23,490 was used to document the experiences, decision points and expertise needed to successfully launch this type of local foods cooperative in this case study; and to support producer members in providing quality products, developing differentiated offerings, and building business skills by surveying needs, creating two technical assistance workshops, and through farmer exchange and mentoring.

IMPORTANT DECISIONS ALONG THE WAY

Legal Structure as a Cooperative

Decisions on how to incorporate the business and which statute to use have many implications for any business. Considerations include the purpose of the business, tax treatment, control, ownership structure and sources of investment.

In the case of IVFC, we wanted to create a member-owned, member-controlled business where both producers and consumers could participate in governing the organization. In addition, we wanted to establish the idea that the organization was operated for the benefit of both groups, and was organized on the principle of shared obligation as well as shared return. Finally, we wanted to raise small amounts of equity from a large number of people. A cooperative structure fit our needs.

Erwin Crowell makes the case for cooperatives in an article from 2010:

“...food co-ops: tend to develop local skills and assets rather than importing them into the region, creating leadership and professional development opportunities.
...are able to assemble limited financial resources to create vital community enterprises (most food co-ops in the region are based on member shares of less than \$200).
...have a low business failure rate and tend to be long-lived, resulting in lasting economic and social infrastructure.
...are member-owned community economic institutions that are difficult to move or buy-out.
...create regional efficiencies through the pooling of purchasing power and other economic activities.
...support vibrant, participatory and engaged communities.”³⁶

In the spirit of “cooperation among cooperatives” (# 7 of the Cooperative Principles) it is very easy to find information about how other cooperatives have organized. There are numerous guides and resources to help groups decide whether to incorporate as a cooperative, and many practical resources to help with the actual formation.^{37 38 39 40}

In addition, the organizing documents of many cooperatives are freely available on their websites (for instance, see Iowa Valley Food Co-op, www.iowavalleyfood.com/articles-bylaws, Iowa Food Co-op, www.iowafood.coop/documents-resources, and Oklahoma Food Cooperative, www.oklahomafood.coop/articlesofinc.php).

The work is in deciding how you want to operate your cooperative.

Software Considerations

³⁶ Crowell, Erbin. “The Neighboring Food Co-op Association: Collaboration for a Thriving Regional Economy.” *The Natural Farmer*. Barre, MA: Northeast Organic Farming Association, Winter 2010–2011. Web. <http://nfca.coop/sites/default/files/nfca.natural_farmer.2010.flyer.pdf>

³⁷ Zimbleman, Karen. *How to Start a Food Co-op*. Cooperative Grocers’ Information Network, Mar. 2002. <<http://www.cgin.coop/files/manual.pdf>>

³⁸ Singerman, K. Jesse. *Starting Out Right: Guidelines for organizing a new retail cooperative*. Blooming Prairie Warehouse, 1986. Print.

³⁹ USDA. “Cooperatives: Library of Publications.” *U.S. Department of Agriculture, Rural Development*, 2 May 2013. Web. <http://www.rurdev.usda.gov/BCP_Coop_LibraryOfPubs.htm>

⁴⁰ Food Co-op Initiative. “Resources.” *Food Co-op Initiative*, 2010. Web. <<http://www.foodcoopinitiative.coop/resources>>

In an online business, software is the engine that drives everything else. The parameters of the software determine vendor and customer interactions, how product is listed and sold and how the business keeps records.

The Oklahoma Food Cooperative made their first software package, the Local Food Cooperative Management System (LFCMS), available as an open-source resource to other cooperatives. LFCMS was one of the first local foods ordering systems ever developed and many online co-ops, including the Iowa Valley Food Co-op, have made use of the system.

The software performs the basic functions necessary to operate an online co-op and is available through inquiry to www.openfoodsource.org.

Important features include:

- Membership functions so that the co-op can admit members and track participation, record member fee payments and maintain member contact information.
- Allowing sales cycles of varying length. Administrators determine the opening and closing of shopping windows.
- Sorting of items for sale by producer and by category (e.g. beef, winter squash etc.) for ease of shopping.
- Providing producers the ability to maintain their farm identity throughout the sale to consumers.
- Allowing producers to describe their own products and growing practices, set prices and control the quantities they have for sale.
- Handling random weight items such as meat, where the exact weight is not known until the consumer places an order.
- Allowing consumers to fill a basket of items and see the amount and cost of what they have ordered.
- Facilitating payment online with PayPal.
- The ability to create labels and invoices, receive reports needed to manage the distribution of items, and accept and make payments.
- Allowing invoices to be adjusted for items not available or extra items bought during distribution.
- Recording payments and carrying over member balances at the end of the sales cycle.
- Routing orders to multiple distribution sites.
- Allowing the co-op to create its own webpage and digital identity to communicate producer stories and other content that builds excitement about the co-op and its products and services.

However, the LFCMS software package lacks some important functionality and has proven difficult to use. While the software performs the functions necessary to provide an online marketplace, it has been written and maintained by a number of people over the years, the underlying structure is not

straightforward and there is a lack of standard documentation, all of which make it a difficult package to modify and support. In addition, reports are not a feature of the package and it is difficult to download data directly into Excel or Quick Books.

It has been harder to find consistent support for the software than we anticipated, and we believe it will not be suitable if the co-op grows rapidly or wishes to expand into new channels of distribution, such as selling to institutions or restaurants. IVFC is in the process of evaluating other software options.

There are many choices. To name just a few:

- Local Dirt, www.localdirt.com
- Your Farmstand, www.yourfarmstand.com
- Local Food Marketplace, LLC, www.localfoodmarketplace.com
- Local Harvest, www.localharvest.org

The best path for a group starting out would be to spend some time thinking about its software needs based on its business model. What functionality must the package have? Making a list of standard questions and a scorecard to keep track of each package to evaluate will help in making this complicated decision (see *Tools and Sample Materials*). It is important to choose carefully, as it is hard to switch packages after opening the business.

Marketing Consistent Messages

Communication and education are central to the business model of IVFC. All information about products, producer requirements, time and dates of distribution and other co-op activities is delivered through the website and through a series of regular email communication. Marketing and communicating the benefits of local food takes consistent messaging and education. Good marketing can build strong customer relationships by identifying what customers want, communicating value and keeping them informed and interested.



Figure 13: Reasons why members join the Co-op

The survey developed in 2009 helped identify many of the products and product attributes that potential customers were looking for. In addition, it indicated their reasons for buying local food. We used this information, along with research from around the country, to create consistent messages to promote IVFC, as well as local and seasonal food—examples follow. IVFC’s standard marketing messages from 2011 can be found in the *Tools and Sample Materials* section.

Five Reasons to Belong to the Iowa Valley Food Cooperative

1. Fresh, flavorful food
2. Support your neighbors
3. Help create the next generation of farmers
4. Share the good life in eastern Iowa
5. Good for your family. Good for the region.

Why Buy Local Food?⁴¹

1. Locally owned businesses return more money to local economy than national chains.
2. Support your neighbors. Buying direct from local farmers returns a higher percentage of every food dollar to them and helps to stabilize our farming communities.
3. Protects farmland and open space from development by keeping agriculture a competitive land use.
4. Builds long-term mutually beneficial relationships between food producers and consumers.
5. Reconnects eaters with the source of their food.
6. Fresh locally grown food tastes better.

Why Buy In-Season?⁴²

1. **Seasonal can be less expensive:** Buying produce out of season means it was either shipped a long way or grown using costly methods. Either way, more costs are incurred and passed along to the consumer. Eating seasonally means buying things that can be grown in their natural weather and climate conditions at less cost.
2. **Seasonal can be more nutritious:** As soon as a fruit or vegetable is harvested, nutritional breakdown begins. Out-of-season produce may be shipped for days over many thousands of miles, all the while losing some of its key nutrients. Buying produce at its height of seasonality and freshness means the naturally occurring vitamins, minerals and phytonutrients within are also fresh.
3. **Seasonal tastes good:** Fresh produce picked in-season is going to please your palate the most. Think of a crisp apple in October or a juicy, local tomato in August. Out-of-season produce can lack the vibrant flavors that make fresh fruits and vegetables so good.
4. **Seasonal = Variety = Good:** Eating seasonally means that every month or two you're adding something different to your diet. That's good for your taste buds and for your health. Different vegetables and fruits contain a wide range of vitamins, minerals and phytonutrients, so mix it up!

MARKETING MESSAGES FOR LOCAL AND SEASONAL FOOD

Finding the right messages to promote your local food co-op makes publicity and outreach easier. Your messages should be powerful but truthful. Be careful not to make claims you cannot support.

Collected here is a sample of messages that have been used by other organizations around the country in promoting local food and seasonal food.

⁴¹ Adapted from the Be a Local Hero Campaign, <<http://farmprogress.com/story-local-hero-campaign-scores-big-with-consumers-9-10394>> and Ecotrust, *Building Local Food Networks*. <http://www.ecotrust.org/foodfarms/localfoodnetworks.html>. Web. 15 Sept. 2007.

⁴² Adapted from "Whole9 Seasonal Produce Guide." *Whole Nine*, 4 Jan. 2012. Web. 17 Jan. 2013. <<http://whole9life.com/2012/01/seasonal/>>

Creating a Visual Identity

The web is a visual medium. Very early in the outreach process we wanted to create a consistent and attractive logo and color palette that would help communicate the cooperative both on the web and through other standard materials, such as press releases, recruitment letters, marketing flyers and brochures. A first step in creating a visual identity for IVFC was the creation of a logo by students in a design class at Kirkwood Community College.

In early 2011 we established guidelines for the design students including the needs we had for the logo, current images we were using and examples of artists' work that reflected the qualities we hoped to have in the logo. Probably the most important guidance we gave was to include images of work by the artists Grant Wood, Marvin Cone and Gordon Kellenberger. The pictures helped the students understand what we were trying to communicate.

Once we had a logo it greatly increased the impact of our visual communications and made it much easier to create consistent and appealing materials.

Iowa Valley Food Co-op Logo Wish List

The logo must be easily reproducible in various sizes, formatted for use on paper and online, and include a graphics color palette for use in reproduction.

Planned uses for the logo:

- Business cards
- Letterhead
- Brochures
- Posters: for conferences, expos, events, etc.
- Table tents: for promotion at dinners, cafeterias, etc.
- Printed memorabilia: t-shirts, magnets, stickers, etc.
- 8½ x 11 page design for handouts and leafleting



Member Recruitment

From the first open meeting in March of 2010 to the opening in August 2011, producer and consumer recruitment never stopped. Our greatest success in recruiting was through targeted mailings to producers in the area, informational tables at farmers' markets, area health fairs and CSA fairs, open houses and events featuring our producers, list serve notices and press releases sent to organizations with similar purposes, and emails for area employers to send to their employees.

The single most important source of information about the co-op for consumers was newspaper articles. For producers it was personalized letters sent through the US mail (see *Tools and Sample Materials*).

In recruiting producers it proved very important to have someone with an intimate knowledge of the local area. Jason Grimm was able to match the co-op with producers who might be interested (all farmers are not right for this model). In addition, Jason actually went to the farms of many producer members when they signed up to help them work through software requirements and list their items. This was of great benefit in getting producers signed up.

Other sources used were directories of local food producers (Buy Fresh Buy Local), regional food working groups, the Iowa Fruit and Vegetable Association, Practical Farmers of Iowa, county extension agents and word of mouth.

One area in which the co-op has had to develop resources for producers has been food licensing. Because the state regulates IVFC as a retail business, not as a farmers' market, producers have to adhere to stricter guidelines governing the products they can sell. For example, unlike product sold through a farmers' market, a home food establishment license is required for baked goods, including breads, cakes, pastries, buns and rolls. Any other prepared food requires a food processing plant license.

IVFC developed its own set of guidelines for producers because nothing existed at the time (see *Tools and Sample Materials*) but since then the Leopold Center has published an updated guide to Iowa food marketing regulations available on the web at:

www.leopold.iastate.edu/sites/default/files/pubs-and-papers/2012-09-iowa-food-marketing-regulations-guide-small-scale-producers.pdf.

Licensing requirements continue to be a challenge for many small producers.



Figure 14: Zaza's Pastas delivering an order

Leadership Development

IVFC is largely a volunteer organization. Building an effective, functioning board of directors was an important part of the critical path for organizing the cooperative.

There are many ways to produce a great board. We focused on training the board about their role in the cooperative, delivering information clearly, accurately and in a timely fashion, holding regular meetings with planned agendas and an annual calendar of tasks, and setting up a committee and officer structure that met the needs of IVFC.

IVFC uses a system created by Jay Vogt in *Board Roles to Board Goals*⁴³ to assist the board in defining the most important governance roles they take on for the cooperative. Once the roles have been agreed to, the most important goals in each governance area are decided on. That forms the basis of the board's work plan for the coming year.

To facilitate this process we provided information to the board about key roles that all boards are responsible for through readings and articles.^{44 45} In a facilitated meeting the board then discussed and chose roles and goals they felt were most important to the cooperative at that time. From there a board calendar and action plan were created to guide the work of the board during the next twelve months. The board training memo, a sample of the IVFC Board Roles and Goals for 2013 and the annual board calendar are all found in the *Tools and Sample Materials* section of this document.

The IVFC board has seven members and must have both producer and consumer representation at all times. Much of the work of the board is carried out by three committees: Executive, Producer Care, and Governance and Communication. Sample committee charters and board officer job descriptions are contained the *Tools and Sample Materials*.

⁴³ Vogt, Jay. *Board Roles to Board Goals*. Concord, Ma: Peoplesworth Press, 2011. Print. Available from www.lulu.com.

⁴⁴ Bridgestar. "Becoming a More Effective Non-Profit Board." *The Bridgespan Group*, <<http://www.bridgespan.org/Publications-and-Tools/Nonprofit-Boards/Resources-for-Board-Members/Becoming-a-More-Effective-Nonprofit-Board.aspx#.UQBMgvLfPbw>>

⁴⁵ Zimbleman, Karen. *How to Start a Food Co-op*. Cooperative Grocers' Information Network, Mar. 2002: 27. Web. <<http://www.cgin.coop/files/manual.pdf>>

SUMMARY AND KEY LESSONS

Benefits

The Iowa Valley Food Co-op set out to improve access to healthy, seasonal and affordable food in eastern Iowa by supporting local farmers and local food entrepreneurs in an online marketplace. The format brings together two important cultural trends: online shopping and the desire for more transparency and accountability in the food system.

There are many benefits to an online local food co-op. IVFC is a flexible, low-cost method of consolidating the offerings of multiple producers into one marketplace. Supporting local producers by improving the availability of their seasonal goods builds demand and spurs the redevelopment of the broader local food system in the region.

Pooling local producers in a web-based ordering system provides a convenient consumer-buying proposition with wide appeal. Consumers can purchase a basket of local items from many sources with one order from home. Some products are not available in any other format. We are an especially efficient venue for local meat sales, which are only three percent of all US farmers' market vendors (USDA 2006)⁴⁶ but 58 percent of the farms that sold farm-direct in 2007.⁴⁷

IVFC's cooperative structure minimizes distribution and transaction costs for both producers and consumers. Products are pre-sold and producers are paid in full within several days of distribution. Producers set their own prices, thereby allowing local farmers to retain more of the value of food and products sold while also reducing risk.

The cooperative model means participation, engagement and variety for consumers, and provides a real-life lesson in sustainable agriculture and the benefits of local food. At the same time it provides an overview of the market for producers and a lesson in the skills necessary to create a good consumer experience. The cooperative allows producers to learn marketing while still concentrating on farming, building capacity and developing an outstanding product.

Appropriate handling and storage facilities at the cooperative maintain quality control and food safety, and increase consumer confidence in the supply chain. All of this reduces market risk for producer members, and builds their businesses while they are engaged in a forgiving and supportive stream of commerce.

The system works for all sizes of grower and business, including start-ups.

⁴⁶ USDA AMS National Farmers Market Manager Survey 2006. Maya 2009.

<http://www.ams.usda.gov/AMSV1.0/getfile?dDocName=STELPRDC5077203>

⁴⁷ Lev, Larry, and Lauren Gwin. "Filling in the Gaps: Eight Things to Recognize about Farm-Direct Marketing." *Choices* 25.1, 2010:15-16. Print.

In the end, linkages formed between producer and consumer members increase the sustainability and resiliency of the local economy and can lead to common understanding of common problems.

Limitations

At the same time, there are limitations and disadvantages to the format.

The model is a form of direct sale between producer and consumer. The cooperative doesn't inventory any items and is dependent on producers to determine products offered, prices, and units of sale each month. This can mean a glut of certain items and a dearth of others.

Along the same lines, quality and presentation of the products are also controlled by producer members and can vary from farm to farm. The cooperative can and does intervene if products are unfairly represented or have obvious quality issues at drop-off. But quality can be difficult to oversee, and much depends on the systems and sophistication of the growers. Being local is not enough if products disappoint consumers in terms of the primary benefits they are seeking: quality, taste and freshness. Fortunately, for IVFC this has rarely been the case. Presentation can be more of an issue with some farms doing a great job and others a poor one.

As one study put it: "Most buyers who procure regional foods appreciate and expect the freshest, best product. One of the benefits of regional food systems is the diversity of produce and the minimization of middlemen and standardization. Unfortunately, this can present a different problem, where there is *not enough* standardization."⁴⁸

Some producers have a hard time with the sales cycle of the cooperative and predicting what they will have available two weeks in the future. This can limit the number and variety of products listed each month. As with any form of seasonal offering, popular products may only be available for a short window of time, or not at all.

Producers don't always have a good frame of reference for setting prices and this may limit sales. For example, research shows that consumers become unwilling to purchase local meat that is priced more than \$1-\$2 per pound above conventional prices⁴⁹ but producers may not be aware of price barriers, or may have to cover higher costs because of scale. As consumers get to know producers through the cooperative and trust their growing practices and quality, price can become less of an issue.

⁴⁸ FarmsReach. *Building Regional Produce Supply Chains: Helping Farms Access & Sell to Multiple Channels, Helping Large-Volume Buyers Access Regional Foods*. Om Direct, Aug. 2011. Web. 9 Oct. 2012.
<http://www.thelunchbox.org/sites/default/files/FR_BuildingRegionalSupplyChains.pdf>

⁴⁹ Lev, Larry, and Lauren Gwin. "Filling in the Gaps." 2010:16.

Finally, licensing requirements are more stringent than those for farmers' markets. This can discourage growers that are used to selling only in that channel.

Key Lessons

This can be done. A committed group of volunteers can open an online food cooperative with low costs and limited staffing. But it takes much more than a software package to make it work.

How the software works determines how your cooperative will work.

Professional legal, accounting and web design advice are critical in the beginning.

Someone in the leadership group should have basic business skills and be familiar with accounting and financial statements.

Someone in the leadership group should be familiar with web design and digital communication platforms such as Mail Chimp or Constant Contact.

Someone in the leadership group should have good connections and credibility with the local grower community.

Strong personal relationships make for a stronger cooperative. Getting to know the members helps them get to know each other.

Technical assistance and individual attention may be necessary to get growers to sign up.

The administrative needs of the cooperative are significant. Paid staff must be planned for.

Proper post-harvest handling, the right equipment and the ability to keep products cold during distribution are very important to maintaining product quality.

Communication can be challenging. Not everyone reads their email. Orienting producers and consumers with how the co-op works is very important.

THE FUTURE

IVFC shares many of the goals Eric DeLuca attributes to the Vermont Regional Food Centers: “to expand local food access, shorten supply chains, promote fair prices to farmers, increase efficiency, and support the success of farmers and food-related businesses.”⁵⁰

As next steps in this journey we hope to:

- Continue to build the membership and offerings of the cooperative.
- Begin to pay staff for certain activities.
- Pursue targeted, profitable expansion opportunities including additional distribution sites and additional distribution days.
- Establish a collaborative network with other online cooperatives to share data and learn from each other.
- Increase visibility and connections to members of the Iowa Regional Food Working Groups to spur additional start-ups in Iowa.

Our primary goal is to continue to serve local food enthusiasts in eastern Iowa and help to rebuild our regional food system in one small, unassuming way.

⁵⁰ DeLuca, Eric. “Collaboration and Resilience: Food co-ops and regional food system development.” *Cooperative Grocer*, July–August 2010:27–30.

TOOLS & SAMPLE DOCUMENTS

33	IOWA VALLEY FOOD CO-OP MASTER CONTACTS LIST DATABASE
34	MARCH 2010 CO-OP INFORMATIONAL MEETING AGENDA
35	IOWA VALLEY FOOD CO-OP PRODUCER GUIDELINES
38	IOWA VALLEY FOOD CO-OP TERMS OF SERVICE
39	BASIC NEEDS FOR IOWA VALLEY DISTRIBUTION SITE
41	2012 P&L AND BALANCE SHEET
43	SOFTWARE EVALUATION TOOL
47	INITIAL IOWA VALLEY FOOD CO-OP MEMBER FLYER
48	IOWA VALLEY FOOD CO-OP MEMBER RECRUITMENT CARD
49	IOWA VALLEY FOOD CO-OP PRODUCER RECRUITMENT LETTER
50	NECESSARY LICENSE REQUIREMENTS TO SELL INTO THE CO-OP
53	IOWA VALLEY FOOD CO-OP BOARD TRAINING
56	IOWA VALLEY FOOD CO-OP BOARD ROLES AND GOALS
58	BOARD CALENDAR OF STANDING AGENDA ITEMS
61	EXECUTIVE COMMITTEE CHARTER
62	GOVERNANCE AND COMMUNICATION COMMITTEE CHARTER
64	PRODUCER CARE COMMITTEE CHARTER
66	BOARD PRESIDENT JOB DESCRIPTION
67	VICE PRESIDENT JOB DESCRIPTION
68	SECRETARY/TREASURER JOB DESCRIPTION

CONSUMER MEMBER DATABASE

Member #	Last	First	Second Last	Second First	Contact Person	Address	Town	State	Zip Code	Home Telephone	Mobile Telephone	Work Telephone	Email (1)	Email (2)

PRODUCER MEMBER DATABASE

Member #	Business Name	Last Name	First Name	Second Last	Second First	Contact Person	Address	State	Zip Code	Telephone (home)	Telephone (work)	Telephone (mobile)	Website	Email (1)



920 48th Ave Amana, IA 52203
phone: 319.213.9243
fax: 319.622.3264
email: info@ivrkd.org
website: www.ivrkd.org



Tentative Agenda

Local Food Co-op Public Information Meeting

Marion Public Library

1095 6th Ave.
Marion, IA 52302

March 27th, 2010 10:00 am to NOON

10 AM

- **Welcome and Introductions**

10:10 AM

- **Presentations**
 - o **Jesse Singerman – Prairie Ventures & Jason Grimm – Iowa Valley RC&D**
Linn/Johnson Food Cooperative Study
 - o **Gary Huber – The Iowa Food Co-op**

10:40 AM

- **Panel for Q & A**
 - o **Panel Members include Iowa Food Coop Board Members – Ben Saunders and Carolyn Ross**

11:10 AM

- **Group vote**
 - o "Now that everyone has seen and heard the presentations and the panel does it seem desirable to start a similar food coop in our area?"
 - o Concerns/Questions/Suggestions

11:20 AM

- **Next Steps**
 - o **Small group worksheet and discussion**

11:40 AM

- **Next Steps**
 - o **Steering Committee – interested individuals**
 - What is the steering committee
 - Expectations of a steering committee member

11:55 AM

- **Final comments or questions**
 - o Next steps from Jason and others

Jason Grimm | jason@ivrkd.org | cell: 319.270.3890 | office: 319.622.3264
<http://johnsonlinn-localfood.webs.com>

Policy #3
Producer Guidelines
Iowa Valley Food Cooperative

The purpose of the Iowa Valley Food Cooperative (IVFC) is to increase the resiliency of the local food system in eastern Iowa by developing the market, increasing the sale, and building the infrastructure for healthy, fresh, fairly-priced, sustainably produced food in our local region.

In addition, IVFC exists to support and develop existing local producers; to support and develop new farmers, including non-traditional farmers such as urban farmers; and convert more acreage to regional food production. The Cooperative seeks to build linkages, partnerships and business relationships with other sustainable, local and regional food system participants.

The Cooperative seeks to provide sustainably produced products from its members, to its members, and to partner with other consumers, producers, cooperatives and businesses who share similar goals.

The following guidelines should be followed by all producer members of IVFC:

General guidelines:

1. Individual producers, corporations, and partnerships can join the IVFC as producer members. If joining as a corporation or partnership, the organization will need to specify who has member voting rights.
2. Producer members may only sell products through IVFC that they themselves have raised, grown, processed or crafted. Members may not buy wholesale from someone else and retail the product through IVFC unless they are buying ingredients for further value-added processing. For example, a member may sell tomatoes they grow, but not tomatoes bought from someone else.
3. Every producer member is responsible to know and be in compliance with all appropriate federal, state and local inspections, licenses, statutes and ordinances. Producer members must comply with any relevant health codes or agricultural laws regarding direct sales of farm and food products to the public. Copies of current licenses and renewals need to be provided to IVFC to verify compliance. If copies of current licenses are not made available IVFC may restrict the ability of the member to sell through the cooperative.
4. Producers of Certified Organic, Certified Naturally Grown, Animal Welfare Approved products, or with any other certified claim, must provide a copy of all current certificates.
5. Producers are responsible for delivering high quality and safe products, and for carrying product liability insurance to safeguard their risks. To reduce their business risk IVFC strongly encourages all producers to carry adequate product liability insurance – \$1M to \$2M is a standard amount recommended for producers selling into retail or wholesale channels. IVFC also reserves the right to refuse product that does not appear to be of adequate quality, or that is not acceptable for sale, or that appears to have been mishandled.

6. Products that go through IVFC's distribution system are owned by producer members, who then sell these products directly to consumer members. IVFC facilitates the transaction but does not take title to the products and assumes no liability for them.
7. Members set their own prices for their products. The IVFC will not restrict the number of food producers who are selling specific products through IVFC.
8. Every member selling product through IVFC must fully disclose information on their products and production practices by using the standard Producer Registration Forms provided by the cooperative and posted on the IVFC website. Examples of production practices that must be fully disclosed include the use of hormones or antibiotics in livestock, and the application of herbicides, insecticides or fungicides on fruits or vegetables. Full disclosure of all ingredients and production practices is necessary so consumer members can choose products based on both grower practices and price, and is a guiding principle of the cooperative.
9. All information from Producer Registration Forms will be reviewed by the IVFC's Board of Directors, or their delegate. Producers will be notified when they have been approved to sell product through the cooperative.
10. IVFC reserves the right to verify all production claims made by members. Verification may include unannounced farm visits.

Meat and Poultry:

11. Beef, pork, lamb, goat, broilers, and other meat products sold through IVFC must be processed in a USDA or state inspected plant. Each package must have either a USDA or state approved stamp. Meats processed by custom butchers with packages stamped "Not for Sale" cannot be sold through IVFC.
12. A producer may not simply buy animals and have them processed for sale through the cooperative as though it were their own. Producer members may purchase feeder pigs or feeder calves, or other young animals, for meat sales through the cooperative. A general guideline is: an animal offered for sale through IVFC should have been residing on the member farm for approximately 2/3 of its life. If a producer plans on selling animals which they have not raised from birth, records must be available detailing when and where the animal was purchased, and this fact must be clearly stated in the producer's profile. If an LLC or cooperative is selling meat products through IVFC, the animals must come from the LLC or cooperative member farms.
13. Live animals may be sold directly to IVFC consumer members for custom processing, but these transactions must happen outside IVFC's operations. The producer member and the consumer will arrange for processing, payment, and delivery outside IVFC. For example, the meat cannot be delivered to the IVFC distribution sites for pickup, and payment cannot go through IVFC's banking system. A promotional fee of 5% of the total sale will be required from producers who sell live animals directly to IVFC consumers, with this fee due on the first day of the month following the sale.

Value-added products:

14. Producer members may only sell value-added products through IVFC that they themselves have raised, grown, processed or crafted. Value-added products for sale through IVFC should use as many ingredients as possible produced by the member, or purchased from Iowa farmers. An exception will be made if the ingredients cannot be raised, grown or processed in Iowa; for example coffee beans locally roasted for sale through IVFC. In addition, an exception exists for ingredients that cannot be raised, grown or processed in Iowa in sufficient quantity, or with adequate quality. When ingredients cannot be sourced locally we prefer producers to seek out products grown using sustainable farming methods, and fair trade and fair labor practices.

15. Producers of all value-added products must submit a list of all ingredients to IVFC, with those that are from Iowa farmers noted, along with the identity of these farmers. The same information must be listed under the corresponding product on the IVFC website. The location of the kitchen or processing facility for each product is also required to be submitted, along with current copies of licenses for those facilities. Full disclosure of all ingredients and production practices is required to list products for sale through IVFC.

Non-Food:

16. Producer members may sell nonfood items that they themselves make. Nonfood products that can be sold through the IVFC may include clothing, soaps, cleaning supplies, candles, decorations, jewelry, greeting cards, music, photography, pet products or other items. The Board of Directors may choose to limit the number and variety of non-food items being sold through the cooperative.

Other:

17. The Board of Directors may authorize sales of local products from secondary suppliers or processors in the area. Examples could include locally produced yogurt or dairy products, or locally grown produce from a wholesale distributor. These sales may be made on either a member or non-member basis, by decision of the Board.

18. On occasion, as a member service or to generate revenue, under the direction of the Board of Directors the cooperative itself may sell products to its members. Examples might include holiday or gift items, promotional items, or other special offers. This exception does not apply to members of the cooperative who are strictly limited to products they themselves have raised, grown, processed or crafted.

19. The IVCF reserves the right to revise or modify these producer guidelines by action of the Board of Directors.

Passed August 19, 2010
Reviewed January 31, 2013
Revised January 31, 2013

Policy #2
Terms of Service
Iowa Valley Food Co-op

1. The Iowa Valley Food Cooperative strives to be a business that is financially viable, environmentally sustainable and socially just.
2. Membership in the Iowa Valley Food Cooperative is \$75 for producers and \$25 for consumers. In addition, an annual fee of \$10 is required to help defray administrative expenses of the cooperative.
3. The cooperative collects a handling fee of 10% from both farmers and consumers on each transaction. For example, when a farmer sells \$100 worth of product through the cooperative, a fee of \$10 is subtracted from their payment; and when a consumer buys \$100 worth of product through the cooperative, a fee of \$10 is added to their invoice.
4. Volunteer labor runs the cooperative. Please consider volunteering your time to help the cooperative grow and prosper.
5. Every member of the cooperative is eligible to buy products from, and sell products to, every other member; as long as the producer meets the cooperative's Producer Guidelines and has been approved as a vendor.
6. Producers must fully disclose the practices used to raise livestock and grow crops to other members of the cooperative. In this way consumer members can make informed purchasing decisions about producers and products offered. Full disclosure of growing, farming and production practices forms the basis of trust between the producer and consumer members of the cooperative.
7. Producers may only sell products they themselves have grown, processed or crafted. A producer may not buy wholesale from someone else and then retail the product through the Iowa Valley Food Cooperative.
8. Producer members may only sell value-added products that they themselves make. Purchasing ingredients for value added products is permitted. Value-added products must use as many ingredients as possible produced by the member, or purchased from Iowa farmers. Simply changing the form in which the product is offered for sale, such as repackaging into a smaller size, does not add value and is not permitted.
9. Every producer member is responsible to know and be in compliance with all appropriate federal, state and local inspections, licenses, statutes and ordinances.
10. Each order is a legally enforceable contract to pick up and pay for the products ordered, unless the products are damaged or broken. An order is automatically created when the order window closes. At that point everything in the consumers' online shopping basket becomes part of their order. Items can be removed or added up to the close of the order window. Ordering windows will be predetermined and publicized to all members.
11. Members are responsible for dropping off product and picking up their orders during the times specified. Distribution locations and times will be predetermined and publicized to all members.
12. Members are responsible for ensuring they receive all items ordered and for carefully checking their invoices. All orders must be paid for before members leave the pickup site. Prompt payment is a condition of membership.

Passed ____12/3/10____

Reviewed _____

Revised ____3/11/12____

Basic needs for Iowa Valley Food Co-op Distribution Site

For leased or permanent facility

- 1200 – 1500 square feet
- Warehouse or retail space – either would work
- No particular height requirements anything above 8 feet clear would work
- Heated and cooled
- First floor
- Open area
- Ease of access for moving boxes/orders in and out of the facility is necessary (e.g. no steps to carry the boxes up). Access to a dock would be nice but is not mandatory.
- Electricity and good electrical capacity for hooking up multiple refrigeration units
- Water and a sink
- Smooth, hard floor that can be washed (e.g. not carpeted)
- Bathrooms or access to bathrooms
- Good parking
- Easy access to facility and easy to find
- Open regular business hours and at least until 8 PM to accommodate pickups

For monthly rental

- All of the above except for square footage requirements
- Access to refrigeration and freezer for the period of the rental. An estimated 70 cubic feet of refrigeration and 50 cubic feet of frozen capacity would be needed to begin.
- 8 AM – 8 PM on day of distribution (can be flexible)
- Tables and chairs available
- Room to stage 100 small orders for distribution.
- Ability to put shelving and leave some supplies and boxes in the facility would be nice.
- One day a month to begin. Two days a month May – November 2012.

Sample Distribution Site Layout



Iowa Valley Food Cooperative Profit & Loss

January - December 2012

	Total
Income	
Coop Fees	
Consumer Fees-Non Taxable	7,003.71
Consumer-Taxable	473.64
Total Coop Fees	7,477.35
Damaged or Bad Produce	-3.05
Donations	40.82
Member Purchases	
Member Purchases-Non Taxable	67,860.81
Member Purchases-Taxable	4,698.76
Total Member Purchases	72,559.57
Ziploc Bags	128.26
Total Income	\$80,202.95
Cost of Goods Sold	
Cost of Goods Sold	72,738.80
Producer	-7,285.96
Total Cost of Goods Sold	\$65,452.84
Gross Profit	\$14,750.11
Expenses	
Advertising/Promotional	521.44
Bank Charges	36.69
Credit Card Fees	231.82
PayPal Fees for Purchases	396.20
Total Bank Charges	664.71
Building	
Renovation Expenses	1,500.00
Rent Expense	1,150.00
Repair & Maintenance	76.50
Total Building	2,726.50

	Total
Cell Phone	30.00
Delivery Day Supplies & Mat	651.69
Dry Ice	270.98
Total Delivery Day Supplies & Mat	922.67
Ebersole Donation	4.00
Equipment Depreciation	1,388.13
Insurance	716.00
Licenses & Permits	241.00
Meeting Expense	25.00
Misc. Expenses	81.00
Office & Supplies Expense	590.76
Postage & Shipping	163.97
Professional Fees	
Accounting	721.00
Total Professional Fees	721.00
Promotional-Purchase for event	14.95
Volunteer Expenses	71.90
Web Site	
Annual Hosting	325.52
Total Web Site	325.52
Total Expenses	\$9,208.55
Net Operating Income	\$5,541.56
Other Income	
Adjusting Account	-0.19
Annual Membership Fee	930.00
Bank Interest	39.72
Gain (Loss) Sale of Assets	239.00
Missed Pick-Up Fees	140.00
Total Other Income	\$1,348.53
Other Expenses	
Federal Income Tax	485.00
State Income Tax	191.00
Total Other Expenses	\$676.00
Net Other Income	\$672.53
Total	
Net Income	\$6,214.09

Iowa Valley Food Cooperative Balance Sheet

As of December 31, 2012

	Total
ASSETS	
Current Assets	
Bank Accounts	
Checking	18,720.91
Credit Card Payments	0.00
EBT	0.00
Petty Cash on Hand	200.00
Savings	5.77
Total Bank Accounts	\$18,926.68
Accounts Receivable	
Accounts Receivable	-50.47
Total Accounts Receivable	\$ -50.47
Other current assets	
*Undeposited Funds	10.45
PayPal	0.00
Total Other current assets	\$10.45
Total Current Assets	\$18,886.66
Fixed Assets	
Equipment	
Laptop	743.73
Laptop Depreciation	-502.13
Total Equipment	241.60
Furniture and Equipment	503.04
Furniture and Equipment-Depreciation	-12.00
Refrigeration	
Cooler1	1,324.00
Cooler1 Depreciation	-529.96
Cooler2	500.00
Cooler2 Depreciation	-50.00
Freezer 4	5,205.60

	Total
Freezer1	0.00
Freezer1 Depreciation	0.00
Freezer2	1,334.00
Freezer2 Depreciation	-534.00
Freezer4 Depreciation	-347.04
Total Refrigeration	6,902.60
Total Fixed Assets	\$7,635.24
TOTAL ASSETS	\$26,521.90
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	0.00
Total Accounts Payable	\$0.00
Other Current Liabilities	
EBT Donations	0.01
Federal Tax Payable	85.00
Gift Certificate	150.00
Sales Tax Payable	364.68
State Tax Payable	-9.00
Total Other Current Liabilities	\$590.69
Total Current Liabilities	\$590.69
Total Liabilities	\$590.69
Equity	
Membership Fees	
Consumer	7,200.00
Founding Members	1,875.00
Producer	5,225.00
Total Membership Fees	14,300.00
Unrestricted Net Assets	5,417.12
Net Income	6,214.09
Total Equity	\$25,931.21
TOTAL LIABILITIES AND EQUITY	\$26,521.90

IVFC Software evaluation and rating form

	IVFC Software	Software System 1	Software System 2
Producer Functions			
Can producers maintain their own identity and farm identity in the system? Is there a way for the producer to tell a “story” about themselves?	Yes producers maintain their own identity and tell their own story. Can connect directly to the farm website		
Can the producer enter specific inventory amounts and cut off sales for items?	Yes for individual items and can also tie inventory items together		
Can multiple farms sell the same product? How is the item file built to accommodate this?	Yes		
How does the producer enter random weights (i.e. exact pounds of a roast?) and how does the system adjust the consumer invoice for random weights?	After the order cycle closes producers update weights and then invoices are run with accurate totals		
Operations			
Do administrators have the ability to enter orders and adjust orders for customers?	Yes		
Are there “pick tickets” by customer with item numbers and item names that make segregation and aggregation easy for volunteers?	Yes		
Can we generate invoices by customer with items, quantities, prices and totals? Is there a PO showing all items sold by an individual producer?	Yes. The customer invoice can be modified for out of stocks, random weights and additional items bought. Producer information can be sorted by product and by customer for receiving		
Does the system create customer labels that can be used to identify product?	Yes.		
Can the orders be easily adjusted for items not delivered and other	Yes. Data entry and working with the program can be tedious but it can be done.		
Who maintains the item files and how are they structured?	Farmer builds the item file and chooses sales unit, product description and		

	pricing. System automatically carries over product listings for producers with consistent availability		
Can producers change item descriptions, unit of sale and prices?	Yes		
Can pictures be entered for items?	Yes		
Does the system support item attributions and certifications such as organic or fair trade?	Yes		
Can items be sorted by subcategory as well as by farm for buying? E.g. winter squash.	Yes, system will sort by farm and by subcategory (winter squash.)		
What is the sales cycle?	Opening and closing dates are determined by the administrator		
Membership functions			
Is there a membership function that collects fees automatically with the customer's invoice?	Yes. Tracks membership and automates membership fee payment. Offers multiple membership levels.		
Does the system allow administrators to review and approve member applications?	Yes		
Is there email functionality to communicate with members?	Yes, you can email from the program to all vendors and customers with an order this cycle		
Pricing			
Does the program support different prices for different markets? i.e. wholesale and direct to consumer?	Yes but not a lot of flexibility		
Who sets prices in the system?	Farmers and producers. Administrators can also change prices.		
Can fees for the cooperative be added into the price or onto the bottom of the invoice?	Yes this is done automatically by the system. Producer payments are also calculated automatically		
Does the system track sales tax and	Yes		

charge sales tax on items that require it?			
Payments			
Can customer payments be entered and tracked in the system?	Yes. We process payments for consumer orders. Not easy. Invoices are usually accurate. Member fees sometimes create a problem.		
Is the payment system for vendors easy to use and accurate?	We aggregate all sales for the producer and pay with one check. Not easy but payment amounts and invoices are almost always correct.		
Can customers pay on line with Pay Pal or with a credit card?	On line payments are accepted from Pay Pal. Credit card payments are taken at distribution.		
Delivery			
How do consumers receive their orders?	Consumers select a pick up site for the order at beginning of opening a sales basket.		
Does the system support routing from a central location to satellites?	Yes. Although setting up multiple drop locations is not straightforward.		
What reports can be produced?			
Can the system report customer sales and producer sales over any date range?	Customer totals are stored by date range. Producer totals can be accessed for past distribution cycles. Not easy to total.		
Can the system track producer sales information by item for any range of dates?	Not easily. Would have to look up producer information by cycle and total manually.		
Can the system track sales by individual items for a range of dates?	Individual order cycle information is available but may be inaccurate and has to be combined manually.		

Does the system download information into Quick Books? Or into Excel?	No – possibly in the future		
Does the software support ordering cycles – open and close of basket?	Yes determined by administrator		
Role of the co-op	Producers and consumers are members of IVFC which acts as the facilitator and creates the market.		
Additional information	Very hard to get consistent support or upgrades.		
FEES and other costs	Free		
Overall system ranking (1st, 2nd, 3rd)			



Our Purpose

IVFC's purpose is to increase the availability of fresh, fairly priced, sustainably produced food in Eastern Iowa.



How does the cooperative work?

- Producer members list their products, prices and production practices on the Iowa Valley Food Cooperative's website (www.iowavalleyfood.com).
- Consumer members place household orders for the products listed on-line.
- Producers know exactly what they have sold before they deliver orders.
- Producers deliver orders to **our distribution site at First Presbyterian, 310 Fifth St. SE, Cedar Rapids, IA 52401** during a set time frame. Consumer members pick up their orders at the site the same day.
- Products include frozen meats, eggs, vegetables, dairy products, baked goods.
- **Co-op membership is open to all. Producers pay a one-time redeemable and transferable membership fee of \$75, consumers pay \$25. Both groups pay a \$10 annual fee to cover administrative costs. In addition, the co-op charges 10% to producers and 10% to consumers to cover the operational costs of running the co-op and buying equipment.**

Why belong to the Iowa Valley Food Cooperative?

- Fresh, flavorful food
- Support your neighbors
- Help create the next generation of farmers
- Share the good life in Eastern Iowa
- Good for your family. Good for the region.

How can I learn more?

Visit our website at www.iowavalleyfood.org or contact us at info@iowavalleyfood.com or contact either of these people:

Jason Grimm
jason@ivrcd.org
319.622.3264

Jesse Singerman
jesse.singerman@mchsi.com
319.338.1874

Supporting organizations:

- Leopold Center for Sustainable Agriculture
- Blooming Prairie Foundation
- Iowa Department of Agriculture and Land Stewardship
- Iowa Valley Resource Conservation Development
- First Presbyterian, Cedar Rapids, IA

Important Dates:

Producer Open House
June 18th 4-7 pm

Consumer Open House
July 13th 4-7 pm

Opening Distribution Day
August 17th

All events at:
First Presbyterian Church
310 Fifth St. SE.
Cedar Rapids, IA 52401
Tel: 319.364.6148

FRONT

BACK



Top Reasons to Join the Co-op

Buy fresh, flavorful food

Support your neighbors

Help create the next generation of farmers

Share the good life in Eastern Iowa

Good for your family, Good for the region



Pick Up Orders At:
Matthew 25 Ministry Hub
225 K Ave NW Suite G
Cedar Rapids, IA 52405



WWW.IOWAVALLEYFOOD.COM
INFO@IOWAVALLEYFOOD.COM

Join the Co-op Today Online

Co-op membership is open to all. Members pay a one-time redeemable and transferable membership fee. All members pay a annual \$10 renewal fee

How does the cooperative work?

- Producer members list their products, prices and production practices on the IVFC's website.
- Consumer members place household orders for the products listed on-line.
- Producers deliver orders to **our distribution site** during a set time frame. Consumer members pick up their orders at the site the same day.

2013 Calendar	Place Order		Pick Up Orders	
	Jan	1st - 11th	16th	4-7 pm
	Feb	1st - 15th	20th	4-7 pm
	March	1st - 15th	20th	4-7 pm
	April	1st - 12th	17th	4-7 pm
	May	1st - 10th	15th	4-7 pm
	June	1st - 14th	19th	4-7 pm
	July	1st - 12th	17th	4-7 pm
	August	1st - 16th	21st	4-7 pm
	Sept	1st - 13th	18th	4-7 pm
	Oct	1st - 11th	16th	4-7 pm
	Nov	1st - 8th	13th	4-7 pm
	Dec	1st - 6th	11th	4-7 pm



IOWA VALLEY FOOD CO-OP



Dear

After a year of planning we're pleased that the Iowa Valley Food Cooperative (IVFC) is ready to start distributing local food! Leaders of the cooperative have secured a partnership with First Presbyterian across from Greene Square Park in Cedar Rapids. We will be using the meeting hall and church kitchen as an initial distribution site. We will have access to refrigeration and freezer space, good parking and a well-known location in the heart of the city. **The first distribution date has been set for August 17.**

IVFC will use an on-line ordering system that connects local producers directly with local consumers. As we all know selling locally grown food helps build our local economy. Dollars stay close to home, and neighbors support neighbors. Every new local food outlet helps preserve the rural identity of our region and helps preserve our way of life.

We believe that IVFC will be a convenient and innovative way to get our products to our customers, and that it can help us reach new consumers with the benefits of local food. We like the freedom the co-op will offer us to set our own prices, control our own farm identity, and reduce the overall time we spend marketing and distributing our products. We're proud of what we do on Pheasant Run Farm and look forward to telling members of the IVFC about it in our own words.

The more producers that offer their products through the cooperative the more attractive the co-op will be to its consumer members. That's why we're inviting you to join us in creating this new link in our local food system. All the details of how to join are found at www.iowavalleyfood.com.

You are invited to an informal open house from 4 PM to 7 PM on June 18th at First Presbyterian, 310 Fifth Street SE, Cedar Rapids, IA where you can get your questions answered and learn more about the co-op.

Please join us in this innovative and creative marketing effort – a new way to connect.

Sincerely,

Cheryl Guirtz and Mike Hopkins
Frog Hollow Farm



www.iowavalleyfood.com
info@iowavalleyfood.com



Necessary Licenses to Sell Products as a member of the Iowa Valley Food Co-op

All producer members must provide a copy of all current certifications and licenses. IVFC reserves the right to require additional information about certifications listed in any producer profile and to refuse any certifications that cannot be confirmed as meaningful, standardized and verifiable.

Meat/Poultry Products

- Meats to be sold through the Iowa Valley Food Co-op and delivered must be processed in a USDA or state licensed and inspected plant (“OFFICIAL” establishment). Each package must have either the USDA or state inspection stamp. Meats processed by custom butchers, whose packages are stamped, "Not for sale", may not be sold through the cooperative. Any meat packages brought to delivery day stamped "not for sale" will be returned to the producer.
- List of red meat and poultry processing facilities is available from the Meat and Poultry Inspection Bureau of the Iowa Department of Agriculture and Land Stewardship:
- To store meat on farm the farm must obtain a Warehouse License from the Department of Inspections and Appeals Food and Consumer Safety Bureau in Des Moines. The form can be found at: .

Eggs

- Producers who sell eggs through the Iowa Valley Food Co-op must hold an Egg Handlers license from the Feed and Fertilizer division of the Iowa Department of Agriculture and Land Stewardship.
- All egg cartons must be new cartons and have a “packaged on date”
- **“Egg handler” or “handler”** means any person who engages in any business in commerce which involves buying or selling any eggs (as a poultry producer or otherwise), or processing any egg products, or otherwise using any eggs in the preparation of human food. An egg handler does not include a food establishment or home food establishment if either establishment obtains eggs from a licensed egg handler or supplier which meets standards referred to in rule 481—31.2(137F). Producers who sell eggs produced exclusively from their

own flocks directly to egg handlers or to consumer customers are exempt from regulation as egg handlers. (IDIA-a 2011)

For information about Food Processing Plants, contact:

James Romer, Compliance Officer
(515) 577-7849
james.romer@dia.iowa.gov

For information about an egg handlers license, contact:

Tanisha McGuire
Commercial Feed & Fertilizer
Wallace State Office Building
502 E. 9th St.
Des Moines, Iowa 50319
515-281-8597
515-281-4185 (fax)

Contact information for the Food & Consumer Safety Bureau:

Iowa Department of Inspections and Appeals
Food & Consumer Safety Bureau
Lucas State Office Building
321 East 12th Street
Des Moines, IA 50319-0083
Telephone: 515/281-6538
Fax: 515/281-3291

Produce

- No regulations unless the produce is processed.
- It is advised that producers use Good Agricultural Products to insure quality products
- Bagged veggies, like lettuce mix cannot have the bags sealed or they will be considered a processed product, which means a license is needed. Apparently any food product that is "packaged" must be produced in a licensed facility, and there is a section of the Iowa Food Code that defines packaged as "bottled, canned, cartoned, securely bagged, or securely Wrapped." "Securely" in this definition means sealed bags.

Prepared Foods

- **All processed products require full disclosure of all ingredients and sources to sell through the Iowa Valley Food Co-op**

- **Home Food Establishment License:** baked goods, which are breads, cakes, pastries, buns, rolls, cookies, biscuits, and pies (except meat pies). Frozen unbaked pies aren't allowed with this license, and neither are egg noodles, crepes, cookie dough, or jams/jellies
- **Prepared foods with meat:** Any food product with meat must be made in a facility with a meat processing license. Check with Iowa Department of Agriculture and Land Stewardship to see if they would regulate the product.
- **Any other prepared foods** other than bakery items must have a Food Processing Plant license

Roasted Coffee

- Producers who sell roasted coffee through the Iowa Valley Food Co-op must do so in an inspected facility

Dairy Products

- **Bottled milk** – must have a Grade A Dairy License
- **Manufactured dairy products** i.e. – cheese, sour cream, butter..., must have a Grade B Dairy License
- These licenses are obtained from the IDALS Dairy Products Control Bureau

David Brown
IDALS Dairy Products Control Bureau Chief
502 E 9th St
Des Moines, IA 50319
515.242.5166
david.brown@iowaagriculture.gov

Health Products/Cleaning Products

- No license required – unless a cosmetic product – regulated by FDA
- Must label ingredients – except soaps

Organic, Animal Welfare, Certified Naturally Grown

- Must provide a copy of certified documents that verify certification

To: IVFC Board
From: Jesse Singerman
Re: Preparation for November 10 Board meeting

I am looking forward to our meeting on Thursday November 10, 2011 from 5:00 to 7:00 PM at Matthew 25 Ministry Hub, 225 K Avenue, Suite G, Cedar Rapids, IA 52405.

In preparation for the board training part of our agenda I have attached two short articles for you to read and a worksheet for you to complete before the meeting. I estimate it won't take you very long – less than an hour.

We're going to focus on the topic of board roles and responsibilities. Using a template designed by Jay Vogt, who works with many boards, we'll work through what the right roles are for the IVFC board at this stage in our development.

As the articles point out there key roles that all boards are responsible for. Here are some commonly agreed on roles and responsibilities of most boards according to Thomas Wolf, who writes about non-profit boards:

1. Determine the organization's mission, set policies for its operations, and establish its general course from year to year.
2. Establish fiscal policy and boundaries, including budgets and financial controls.
3. Provide adequate resources for the organization through direct financial contributions and a commitment to fundraising and organizational development.
4. Select, evaluate and if necessary, terminate the chief executive officer.
5. Develop and maintain a communications link to the community.
6. Ensure that the provisions of the organizations charter and responsibilities under the law are being followed.

The goals and work plan of every board should flow from the roles of the board in the organization.

For instance here are some possible board goals that come from specific board roles:

- **Fiscal:** develop, approve, monitor and amend budgets. Approve annual operating plan. Establish financial controls and policies for the organization.
- **Resource Development:** Develop a strategy to grow the organization. Recruit new members. Assist in fundraising efforts. Take on tasks as needed to achieve the mission of the organization.

Here are two views of the traditional roles assumed by most boards:

Thomas Wolf's Roles	Bridgestar's Roles
Determine mission: set policy	Adherence to mission
Fiscal policy; compliance	Financial and legal oversight
Resource development	Fundraising and resource development
Executive supervision	Executive oversight
Communication	Community support
	Board oversight
	Support and expertise

Please use this information and the readings to complete the worksheet on the following page.

Worksheet: Key Governance Roles of the IVFC Board

Instructions:

- Please list the 5 -7 key governance roles of the IVFC Board.
- Please bring this completed worksheet with you to the Board meeting on November 10 where you will compare your notes with other members of the board.

Worksheet: Our Key Governance Roles
1.
2.
3.
4.
5.
6.
7.

Thank you for completing this step! Bring this worksheet with you on November 10.

<p>Board roles for FY 13 approved on 12.6.12</p> <p>Jesse S. did a brief review of the documents distributed prior to the meeting, followed by group discussion of board roles. The board approved the following roles for FY13:</p> <ol style="list-style-type: none"> 1) Resource Development 2) Board Development 3) Financial & Legal Oversight 4) Communication 	<p>FY 13 board goals as discussed in the 12.6.12 board meeting</p>
<p>1) Resource Development</p> <ul style="list-style-type: none"> - <i>Planning for growth and stability of the cooperative</i> - <i>Recruitment of new members</i> - <i>Exploring new markets or growth opportunities</i> - <i>Advocacy for IVFC</i> - <i>Fundraising/grants</i> - <i>Partnerships</i> 	<p>Develop plan for paid staff</p> <p>Expand consumer membership</p> <ul style="list-style-type: none"> • Consumer open house with samples <p>Producer recruitment</p> <ul style="list-style-type: none"> • Producer recruitment open house <p>Explore potential for additional drop sites, or distribution days and profitability</p> <p>Explore potential for wholesale markets</p> <p>Develop producer loyalty to the cooperative and capacity to serve members</p> <ul style="list-style-type: none"> • Producer meeting and workshops • Enforce producer guidelines
<p>2) Board development</p> <ul style="list-style-type: none"> - <i>Develop the capacity of the Board to lead the organization</i> 	<p>Recruitment of accounting and IT expertise to the board</p> <p>Board election April 17th</p>

<p>3) Financial & Legal Oversight</p> <ul style="list-style-type: none"> -Review of Financials -Verification of legal obligations -Internal audit of producers' certifications and licenses -Tax compliance -Cash management/budget review and approval 	<p>Review of financials</p> <p>Ensure taxes and legal obligations are met</p> <p>Review and approve budgets and expenditures</p> <p>Ensure all required licenses and regulatory requirements are met by producer members</p>
<p>4. Communication with members and the public</p> <ul style="list-style-type: none"> -Build loyalty to the cooperative - communicate effectively and in an appealing way to members and the public -Create materials and programs to promote the cooperative 	<p>Annual meeting May 15th</p> <p>Review effectiveness of regular communications</p> <p>Create mechanisms for producer feedback and ensure high quality standards</p> <p>Develop materials so that producers can help promote the cooperative</p>

B.13 Annual Calendar of Standing Agenda Items

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Agenda Items (Full Board)												
Board meeting	X	X	X	X	X	X	X	X	X	X	X	X
Approve year end financials		X										
Approve list of candidates for election			X									
Conduct elections for directors				X								
Approve election results				X								
Annual meeting				X								
Elect board officers					X							
Approve appointments for Executive & Audit, Producer Care and Governance Committees					X							
Review adequacy of insurance needs and selection of insurance carriers							X					
Approve Nominating Committee appointments											X	
Approve annual budget and business plan												X
Special Items for FY 12												
Executive and Audit Committee												
Committee reports progress monthly to full board as needed	X	X	X	X	X	X	X	X	X	X	X	X
Committee to report progress against their annual work plan and establish new plan for FY	X											
Review Patronage amounts to recommend to Board, if any		X										
Review income tax returns			X									
Plan, execute and deliver annual management evaluation if any			X									

B.13 Annual Calendar of Standing Agenda Items

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review internal financial control procedures and fraud prevention			X									
Review comparable co-op performance benchmarks									X			
Annual risk management review.			X									
Work on other tasks as assigned by the board - ongoing												
Special Items for FY 12												
Communications and Governance Committee												
Committee reports progress monthly to full board	X	X	X	X	X	X	X	X	X	X	X	X
Committee to report progress against their annual work plan and establish new plan for FY	X											
Review board policy book on a regular schedule	X			X			X			X		
Review internal board communications										X		
Review board orientation		X										
Perform policy review of: by-laws, corporate structure, committee charters			X									
Develop slate of officers for board approval					X							
Recommend board committee members and chairs					X							
Provide orientation for newly elected directors as needed					X							
Review co-op communication with the membership		X										
Conduct member surveys as needed										X		
Coordinate a board evaluation												X
Special Items for FY 12												

B.13 Annual Calendar of Standing Agenda Items

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Producer Care Committee												
Committee reports progress monthly to full board	X	X	X	X	X	X	X	X	X	X	X	X
Committee to report progress against their annual work plan and establish new plan for FY	X											
Special Items for FY 12												
Nominating Committee												
Committee reports progress monthly to full board	X	X	X	X								X
Nominating committee begins recruiting potential board members	X											
Coordinate election ballots			X									
Recommend slate of board candidates for board approval			X									
Recommend criteria for board nominees to the full board												X

IVFC Executive Committee Charter

The executive committee will be composed of the officers then serving. The executive committee, by the affirmative vote of a majority of its voting members, may determine that the best interests of the cooperative require action prior to the time that a board meeting could reasonably be held, and in such a case, the executive committee has the authority to take any action that the board could take, except that the executive committee does not have the authority to buy property for a purchase price in excess of such amount as shall be established by the board from time to time, or hire or fire the general manager.

The Executive Committee also serves as the cooperative's Audit Committee

The cooperative shall have its financial information audited or reviewed for presentation to the members. The board shall appoint an audit committee to review the financial information and accounting report of the cooperative. The board may appoint individuals to this committee who are not directors. The audit committee shall ensure an independent review of the cooperative's finances and audit.

Passed 4/12/12

Reviewed _____

Revised _____

IVFC GOVERNANCE AND COMMUNICATION COMMITTEE CHARTER

A. Purpose and Scope

The purposes of the Governance and Communication Committee include:

1. Recommending to the Board sound corporate governance and communication practices appropriate for the cooperative.
2. Stimulating increased membership and interest in IVFC and encouraging participation in the activities of the cooperative.
3. Informing and educating the membership and the public about IVFC activities ensuring excellent reporting of its activities.
4. Leading the Board in a regular review of its own performance and supporting exceptional board performance through board development and regular review of board officer and committee assignments.
5. Serving as the Nominating Committee as required in the nomination process in order to ensure qualified board members.

B. Committee Composition

The Governance and Communication committee is at least 3 members.

Roles and Responsibilities

1. Develop and recommend to the Board the criteria for nominations to the Board of Directors and serve as the Nominating Committee for the cooperative. Governance and Communication Committee members up for election should recuse themselves from these duties.
2. Develop an orientation for new directors.
3. Provide strategic direction for the communication and marketing efforts of the organization.
4. Review the cooperative's communication with the membership.
5. Recommend and conduct Board development and training. Recommend changes as appropriate for performance and effectiveness of the Board of Directors.
6. Recommend on an annual basis a slate of candidates for the principal offices of the Cooperative, which consist of President, Vice President, Secretary and Treasurer. Also recommend on an annual basis the board committee composition and chairs.

7. Review succession plans for the corporate officers and directors taking a multi-year view of the board and its leadership.
8. Ensure an annual review of Board and committee performance
9. Review corporate IVFC policies and procedures annually and recommend changes and updates as needed. This includes review of the by-laws and committee charters.
10. Determine whether any outside positions or affiliations of a director may interfere with the director's duties and responsibilities to the cooperative.
11. Ensure the board policy book is maintained, including motions and decisions of the board that pertain to board policy and corporate Governance and Communication.

C. Membership

Membership shall consist of at least three board members.

D. Quorum

A majority of the current membership constitutes a quorum for the transaction of business.

E. Reporting

The Committee will make regular reports at Board meetings and provide a copy of the Committee's minutes to the full Board.

F. Meeting Schedule

The Governance and Communication committee meets regularly and between Board meetings to review progress and its tasks.

Passed 4/12/12

Reviewed _____

Revised _____

IVFC PRODUCER CARE COMMITTEE CHARTER

A) Purpose and Scope

- 1) The purposes of the Producer Care Committee include:
- 2) To ensure full disclosure of IVFC Producer Member production practices and methods, and encourage the use of sustainable agricultural systems by IVFC producers.
- 3) To promote and support IVFC producers including, but not limited to, business development, educational and technical assistance, and assistance in selling through the cooperative.
- 4) To determine eligibility of producers to sell through the cooperative by reviewing and acting on membership applications, ensuring all needed information has been submitted, verifying production claims of producers as needed, and restricting producers from selling through the cooperative as needed.
- 5) To stimulate increased membership and interest in IVFC by ensuring high producer standards, high quality offerings, and that only reliable and safe products are offered through the cooperative.

B) Committee Composition

- 1) The Producer Care committee is at least three IVFC members approved by the Board of Directors, consisting of at least one producer member of the Board of Directors, and one staff member or cooperative organizer (if possible).

C) Roles and Responsibilities

- 1) Develop a written Producer Care program for the cooperative.
- 2) Develop, implement and oversee Producer Care strategies for members of the cooperative. For example, create and maintain processes and procedures to ensure that every producer member is in compliance with all appropriate federal, state and local inspections, licenses, statutes and ordinances. Ensure that all producer members comply with relevant health codes or agricultural laws and that all members have copies of current licenses on file with IVFC.
- 3) Develop written procedures and determine when a producer should be restricted from selling through the cooperative for failure to adhere to IVFC Producer Guidelines, Terms and Conditions of Sale, or due to inadequate product quality or safety.
- 4) Review producer standards and procedures for selling through the cooperative. Suggest modifications if needed for action by the Board of Directors.
- 5) Develop and implement plans to expand producer membership in the cooperative. Support and develop existing local producers; support and develop new farmers and non-traditional farmers as possible.
- 6) Develop and implement needed technical assistance and training for producers of the cooperative. Conduct periodic producer research to identify member needs, and competitive aspects.

- 7) With staff support ensure that appropriate producer data is captured and maintained in the cooperative's databases.
- 8) With Board of Directors approval, create RFPs and hire outside assistance as needed.
- 9) Identify producer issues and problems that need further research and policy development for approval by the Board of Directors.

D) Quorum

- 1) NOT SPECIFIED

E) Reporting

- 1) All activities will be coordinated with operating staff and the organizers of the cooperative in order to ensure message consistency, effectiveness and focus. The Committee will make regular reports at Board of Directors meetings and provide a copy of the Committee's minutes as needed.

F) Meeting Schedule

- 1) The Producer Care committee meets regularly and between Board of Directors meetings to review progress, and complete work plans, objectives and tasks.

Passed November 2010

Reviewed _____

Revised 4/12/12 _____

Officer Duties - President

IOWA VALLEY FOOD CO-OP BOARD OF DIRECTORS OFFICER DUTIES

Officer: President

SUMMARY

Provides leadership to the Board of Directors with the goal of governing the affairs of the organization in a fiscally and ethically responsible manner. Acts as a liaison for the Board with management of the cooperative.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following:

Coordinates activities and presides at meetings of the Board and members, and is an ex officio member of all committees.

Works in cooperation with board committees and management to accomplish duties that include, but are not limited to, the following:

Establishes Board meeting agendas and coordinates Board meeting times. Oversees Board committee activities. Appoints additional committees for special or regular purposes as the Board of Directors may deem advisable for the proper conduct of the cooperative.

Ensures smooth functioning of the cooperative, its board, committees and activities.

Partners with the Board and management to achieve IVFC's mission and long-term strategy.

Seeks to build a collegial working relationship on the Board, which contributes to effective decision making.

Participates in activities or special events to support IVFC as needed.

Exercises high integrity, confidentiality, and unbiased perspective at all times and in all matters.

Maintains a close relationship with management to develop in-depth knowledge of IVFC.

Passed 04/12/12__

Reviewed __

Revised _____

Officer Duties - Vice President

IOWA VALLEY FOOD CO-OP BOARD OF DIRECTORS OFFICER DUTIES

Officer: Vice President

SUMMARY

Provides leadership in the absence of the Board President with the goal of governing the affairs of the organization in a fiscally and ethically responsible manner.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following:

Performs the duties of the Board President in his or her absence and shall, as requested, assist the Board President in the performance of his or her duties.

Attends Board and Executive Committee meetings regularly as an active participant.

Passed 4/12/12

Reviewed

Revised

Officer Duties - Secretary/Treasurer

IOWA VALLEY FOOD CO-OP BOARD OF DIRECTORS OFFICER DUTIES

Officer: Secretary/Treasurer

SUMMARY

Responsible for record keeping and maintenance of Board documents and financial records.

ESSENTIAL DUTIES AND RESPONSIBILITIES include the following:

Oversees the maintenance of membership records and the serving of notices for, and keeping of minutes of, all meetings of members and the Board.

Oversees the maintenance of financial records and financing requirements, safeguarding of the property of the Cooperative and the filing of all required reports and returns.

Attends Board meetings regularly as an active participant.

Passed 4/12/12

Reviewed

Revised



WWW.IOWAVALLEYFOOD.COM