

Monitoring Report to the Board
E Ends
Submitted by Crystal Halvorson, General Manager
June 2009

This is my monitoring report on your Ends policies (Policies E, E.1, E.2), presented in accordance with your monitoring schedule. I certify that the information contained in this report is true.

General Manager

Policy Title: E Global Ends Statement
Adopted: 05/25/06 (Mission as placeholder)
Revised: 10.22.07

Menomonie Market Food Coop will create cooperative sustainable economic development that is nurturing to the community

(E.2) The community is defined as all present and future members, patrons, employees, producers, and vendors with the focus on the local foodshed and the larger cooperative network

Interpretation/Operational Definition:

This highest-level statement of a desired outcome gives purpose to the entire organization. It creates a framework for management's development of measurements that provide the MMFC community with a tangible way to see the value that our co-op brings us.

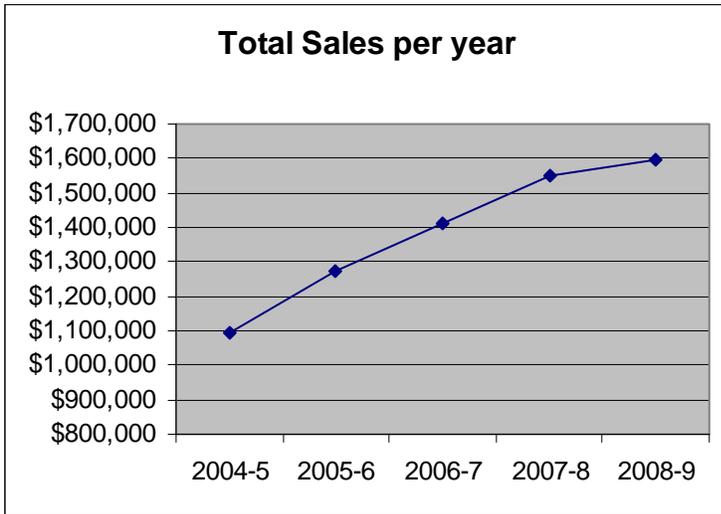
Because this policy is meant to guide LONG TERM accomplishments of the co-op, this report will attempt to show accomplishment towards those goals in the last year, and assert whether the organization is on track for continued accomplishment in the future. This is the one area of policy monitoring where we can't say, "yes, we did it!". Instead we have to measure, "does it look like we are going there?"

We can measure compliance on this policy in the following ways:

- 1. Are we thriving? (sales growth, customer count, strength of financial indicators) **this gets at "economic development" and "sustainable"*
- 2. Are we abiding by the seven international cooperative principles? **this gets at "cooperative" and "community= larger cooperative network)*
- 3. Do we have membership growth? **this gets at "community= present and future members and patrons"*
- 4. Do we have high standards for member, customer, and internal satisfaction? **this gets at "nurturing" and "community"*
- 5. Are there clear benefits to the community? **this gets at "nurturing the community"*
- 6. Are we organized and ready for growth and professional development? **this gets at "sustainable economic development" and "community= employees"*
- 7. Are we increasing our purchases of local foods and products? **this gets at "sustainable" and "community= producers and vendors with the focus on the local foodshed"*

DATA:

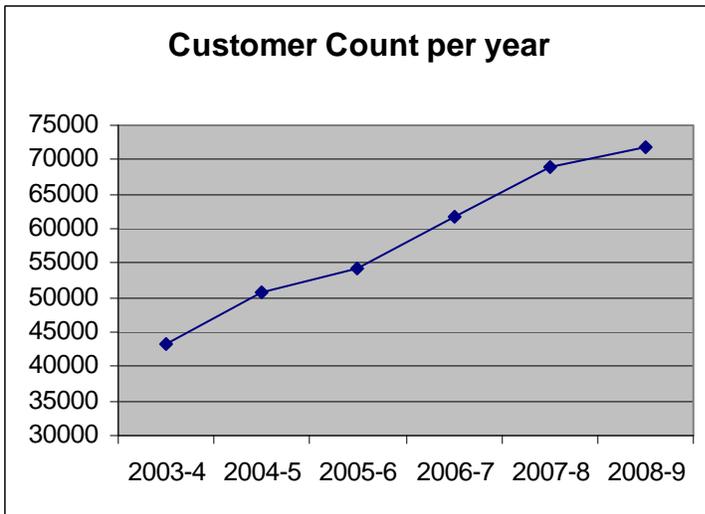
[1. Are we thriving?](#)



Did we show accomplishment in the last year? YES

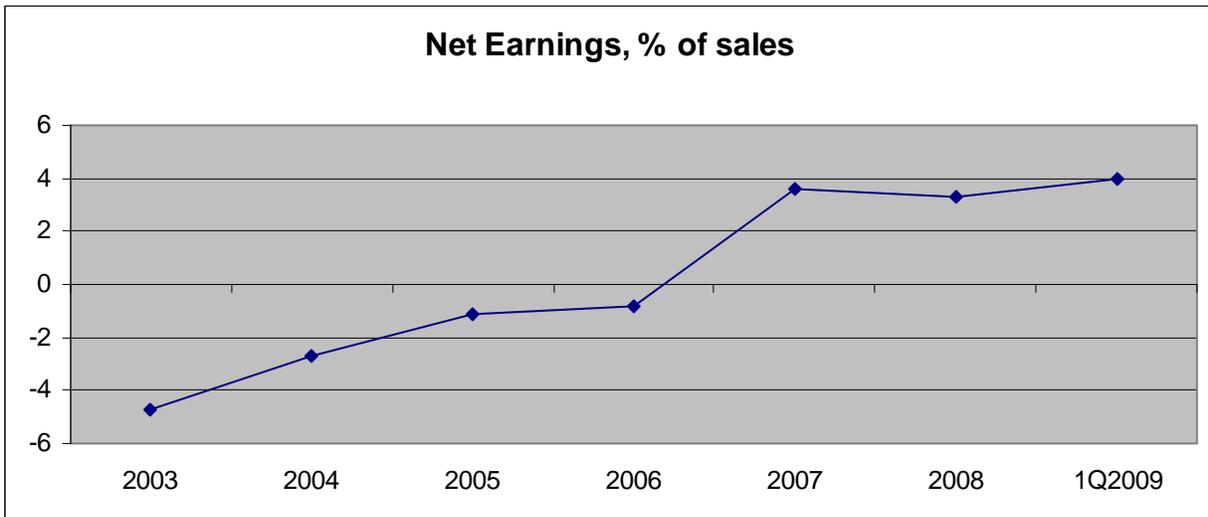
Are we on track for the future? YES

*** our growth trend reflects the global recession that began in Fall 2008. Considering the dire economic situation, the positive growth we see is clearly compliant when compared to national trends about grocery and natural foods growth.

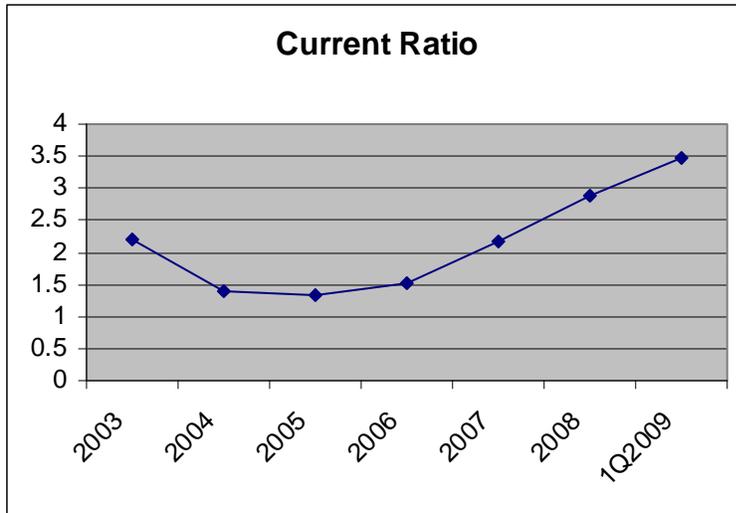


Did we show accomplishment in the last year? YES

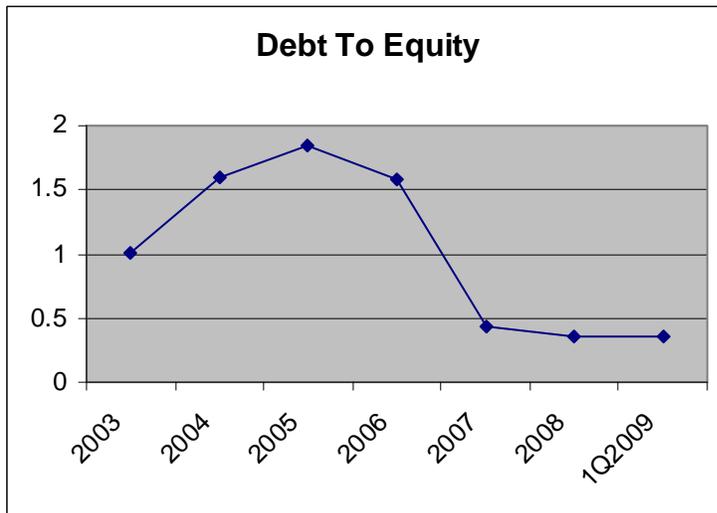
Are we on track for the future? YES



Did we show accomplishment in the last year? YES
 Are we on track for the future? YES



Did we show accomplishment in the last year? YES
 Are we on track for the future? YES



Did we show accomplishment in the last year? YES
 Are we on track for the future? YES

2. Are we abiding by the seven international cooperative principles?

Co-op Principle (bold) with ICA definition	Operational Definition/ interpretation	Data	Does data support compliance?
1st Principle: Voluntary and Open Membership Co-operatives are voluntary organizations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious	Articles of incorporation and bylaws provide legal structure consistent with the cooperative principle. Our common practice is consistent with the cooperative principle.	<ul style="list-style-type: none"> • Our articles of incorporation (Article 3) and bylaws (section 2) call for open and voluntary membership. • Membership requirements are set by the members in the bylaws. (section 	YES

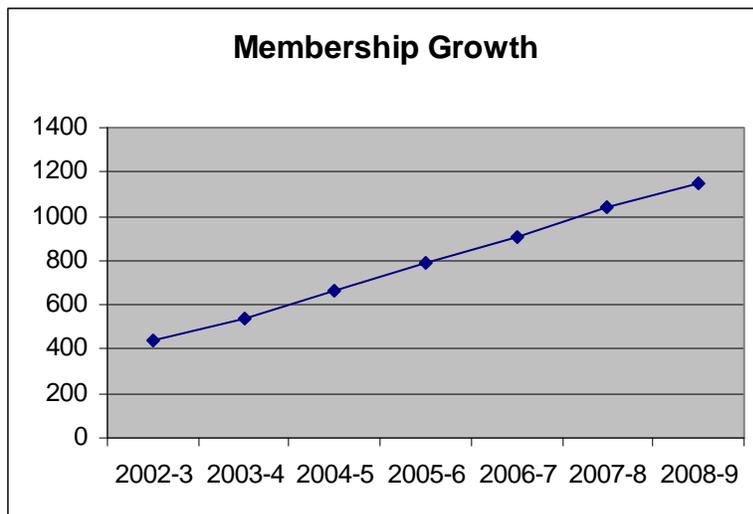
discrimination.		<p>2)</p> <ul style="list-style-type: none"> Members have joined (134) and withdrawn (11) during the past year with no claims other than these acts being voluntary. 	
<p>2nd Principle: Democratic Member Control Co-operatives are democratic organizations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives members have equal voting rights (one member, one vote) and co-operatives at other levels are also organized in a democratic manner.</p>	<p>Bylaws authorize members to exercise their one member-one vote rights to elect a Board of Directors to represent them, to make bylaw revisions, and provide for various other member controls.</p> <p>Elected representatives are held accountable by the members to further organize themselves, to provide leadership necessary for the organization to produce the desired results and avoid unacceptable conditions and activities, and to check to ensure that those expectations are being met.</p>	<ul style="list-style-type: none"> An election was held concluding on 3/3/09; members elected directors to the Board. Each member had one vote, and 91 members exercised that right. In 2008, the members voted to accept changes to the Articles and Bylaws. Each member had one vote. The board has developed a comprehensive set of policies that include board organization, relationship with the GM, desired results, and unacceptable conditions. It maintains a schedule for monitoring all of these policies. Reports are made to the members via the newsletter, meeting minutes, and the Annual Meeting 	YES
<p>3rd Principle: Member Economic Participation Members contribute equitably to, and democratically control, the capital of their co-operative. At least part of that capital is usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a</p>	<p>The board, on behalf of the members, sets and controls the member equity requirement through the Articles and Bylaws. The board also decides, on a year-to-year basis whether to provide patronage rebates. Members may</p>	<ul style="list-style-type: none"> Co-op members each pay \$100 to be a member. While payment plans exist to provide access to membership, each member is obligated to contribute the same amount. Our Articles and 	YES

<p>condition of membership. Members allocate surpluses for any or all of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.</p>	<p>provide vital capital to the co-op in addition to the basic equity requirement, in the form of member loans or additional stock shares.</p>	<p>Bylaws provide for possible Patronage Rebates, and for Class C stock shares, providing the membership with a way to provide additional capital to the co-op.</p>	
<p>4th Principle: Autonomy and Independence Co-operatives are autonomous, self-help organizations controlled by their members. If they enter to agreements with other organizations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.</p>	<p>All decision making power is held by members, and all decision making is done by members or delegated by members to others.</p>	<ul style="list-style-type: none"> • Our co-op was formed by and is controlled by its members. • We currently have no capital from external sources other than a line of credit for working capital, which is more than balanced by our cash savings. 	<p>YES</p>
<p>5th Principle: Education, Training and Information Co-operatives provide education and training for their members, elected representatives, managers, and employees so they can contribute effectively to the development of their co-operatives. They inform the general public - particularly young people and opinion leaders - about the nature and benefits of co-operation.</p>	<p>Members will be informed, and encouraged to participate. Members, elected Co-op leaders, managers and employees, and community members are encouraged to continually engage their minds.</p>	<ul style="list-style-type: none"> • In-store educational materials • Making the Most of the Co-op classes • Lunch and Learn classes • Newsletter articles • Open board meetings • C-BLD • NCGA trainings • New employee orientation • Website • Community outreach throughout the year 	<p>YES</p>
<p>6th Principle: Co-operation among Co-operatives Co-operatives serve their members most effectively and strengthen the co-operative movement by</p>	<p>MMFC is a visible part of the larger cooperative movement; we have membership in other cooperatives; MMFC contributes money</p>	<ul style="list-style-type: none"> • Active participation in NCGA, including steering committee involvement. • GM mentoring with area co-ops 	<p>YES</p>

working together through local, national, regional and international structures.	and leadership to other cooperatives.	<ul style="list-style-type: none"> • Operational and loading dock assistance to Just Local Food • Contributed to Howard Bowers Fund, Co-op Disaster Relief Fund, other cooperative endeavors • Member of Frontier • Member of NCDF 	
7th Principle: Concern for Community Co-operatives work for the sustainable development of their communities through policies approved by their members.	Efforts made to engage the surrounding community, promote local and sustainable living and educate the community on the benefits of a healthy lifestyle as well as the benefits of cooperation.	(see items under 5th Principle)	YES

Did we show accomplishment in the last year? YES
 Are we on track for the future? YES

3. Do we have membership growth?



Did we show accomplishment in the last year? YES
 Are we on track for the future? YES

4. Do we have high standards for member, customer, and internal satisfaction?

Measurement	Are there systems in place?	Are standards communicated?	Are standards measured?	Compliance?
Member	•Ends policies	•Through policy	•Through	YES

satisfaction standards	<ul style="list-style-type: none"> •EL policy L.9 •Board Policy G.5 •Personnel Manual •Member satisfaction survey 	<ul style="list-style-type: none"> to GM •Through policy to Board •New Employee Orientation •Making the Most Class •Employee continuing education 	<ul style="list-style-type: none"> monitoring of policy •Through employee evaluations •Through member surveys 	
Customer satisfaction standards	<ul style="list-style-type: none"> •Ends policies •EL policy L.1 •Personnel Manual •Customer satisfaction survey 	<ul style="list-style-type: none"> •Through policy to GM •New Employee Orientation •Making the Most Class •Employee continuing education 	<ul style="list-style-type: none"> •Through monitoring of policy •Through employee evaluations •Customer specific surveys 	YES
Internal satisfaction standards	<ul style="list-style-type: none"> •EL policy L.2, L.5, L.7 •Board Policy M.1-M.4 •Personnel Manual •Staff satisfaction survey 	<ul style="list-style-type: none"> •Through policy to GM •Through policy to Board •New Employee Orientation •Employee continuing education •Any staff member may propose change to Personnel Manual 	<ul style="list-style-type: none"> •Through monitoring of policy •Through employee evaluations •Through staff surveys •Personnel Manual reviewed/revise d by staff each fall 	YES

Did we show accomplishment in the last year? YES

Are we on track for the future? YES

5. Are there clear benefits to the community?

- 200 people visit Menomonie Market every day. Our 2005 market analysis reported that 27% of this business comes from outside of Dunn County. MMFC provides the small downtown area of Menomonie with an opportunity to connect with our customers everyday; we serve as a retail anchor for our downtown, something that is crucial to the success of very small, locally owned businesses that make up the retail areas on Main and Broadway.
- MMFC has a Contributions and Donations budget of \$1800 for 2009. All of our giving is based locally and for purposes that are in line with our Ends Policies (a focus on food, sustainability, community building, health, etc.).
- Our Hill O Beans program allows customers to work towards our Ends in two ways—they act ecologically sound in their shopping by biking or walking, saving a bag or container, or bringing a mug, and we give them a bean worth 5 cents to donate to the community. Through this program we have made the following donations in the last year:

*Food Pantry \$443.96

*Co-op Expansion Fund \$512.76

Thursday's Table \$56.80

Bridge to Hope \$65.80

Refuge Farm \$70.75

Positive Alternatives \$60.95

*Kamp Kenwood \$35.05

*These are figures as of the last bean count--the actual term for these causes runs through 6/30/09.

- MMFC has sold \$1.6 million dollars worth of food and other products that are easier on the body and the environment than other options in our community. Our store has products without food coloring, without hydrogenated oils, without genetic modification, without antibiotics, without corn syrup, and without chemical additives. Our store has products with less packaging, with organic certification, with a shorter distance traveled, with fair trade, with fair consumer information, with more fiber, and with greater freshness. All that food has been eaten in our area, and has indeed nurtured those people that ate it. This is likely the most influential data point that we have as compliance towards our Ends.

Did we show accomplishment in the last year? YES

Are we on track for the future? YES

6. Are we organized and ready for growth and professional development?

We are organized.

- All positions have one written job description and one supervisor, and they all fit into one organizational chart that is organized into four distinct levels of employment.
- Our Personnel Manual is complete, continually revised, legal, and given to every employee.
- Each department has created systems and procedures for its smooth operation; all departments are in the process of getting all of this work down on paper in a way that is cohesive across departments.

We are ready for growth and professional development.

- There are unfilled job descriptions that are already worked into our organizational chart to accommodate our growth (produce buyer, deli buyer, wellness assistant, HR manager, administrative assistant, Financial Manager).
- We are practicing growth and readiness everyday as we are growing! Decisions are put to the "will this decision work in six months, will it work in one year?" test, and many systems in place are "overcreated" to accommodate our sales growth.
- We are constantly working on incorporating the philosophy of a "culture of change" into our organization. As opposed to having to adjust all employees to any change that happens with growth, we are all learning to expect change at every turn. Change is not a surprise at MMFC.
- We are taking advantage of training and professional development opportunities as they arise. The GM, Deli Manager, and CAP Liaison have fully participated in the development programs available to them through NCGA. The Marketing Manager has taken advantage of many local training opportunities, and the Management team has strengthened greatly the new employee training program in 2008. The Receiving Manager and Front End Manager have reached out in a big way to other co-ops for advice and information, and have already begun returning the favor by sharing best practices with others. The board has

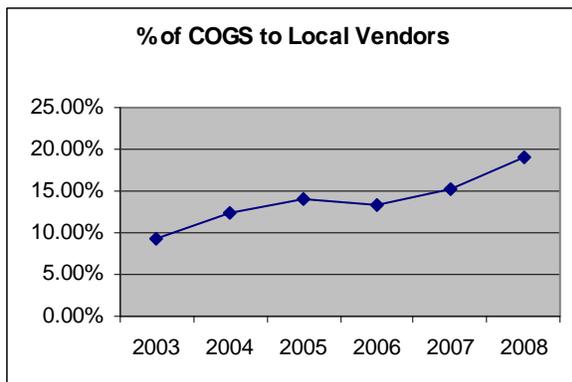
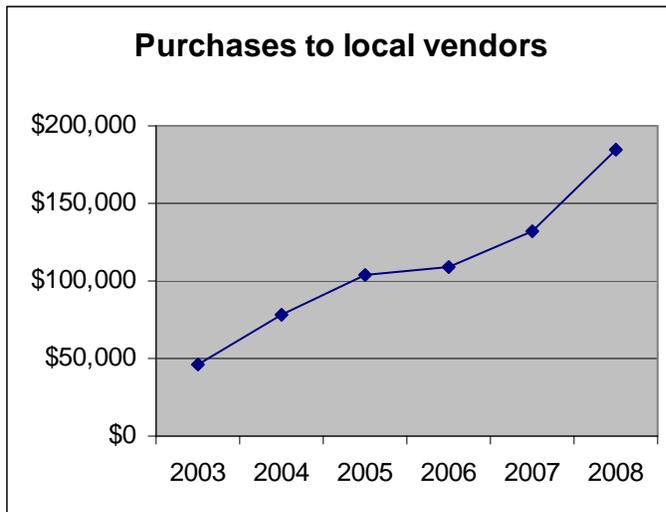
participated in NCGA's C-BLD program for two years, and this year is still purchasing consulting from Cooperative Development Services.

- We have sought outside consulting to help with organizational development and professional development.
- Our biggest operational accomplishment towards growth and professional development this year is a recently completed one- the conversion to a fully operational server with increased organization and networking between users, and the full migration to a new, professional managed, ready-for-expansion POS system. Both of these systems provide the security and capacity for expansion, and have been fully embraced by staff.
- Our biggest organizational accomplishment towards growth and professional development this year is the ongoing networking, conversation, analysis, and negotiating that makes up the search for a possible expansion location. Looking at real estate, developing our relationship with the City of Menomonie and important folks who work here, maintaining a positive relationship with our landlord, bank, and other institutions, and MMFC's participation in the formation of the Wild Rice Consortium, a group of people and businesses with a mission to increase the vitality of downtown Menomonie, have all contributed to our readiness for growth.

Did we show accomplishment in the last year? YES

Are we on track for the future? YES

7. Are we increasing our purchases of local foods and products?



Did we show accomplishment in the last year? YES

Are we on track for the future? YES

3D Farm	Erdman, Jan	Otter Creek
All American	Falkner, Jackie	Pickerign, Keith
Manufacturing	Farmer to Farmer	Positively Third Street
Altemus, Erin	Furthermore	Bakery
Amick,Candy	General Beer Northwest	Prairie Farm Gardens
Aspen Ridge Gardens	Gerasimo, Luisa	Promise Farm
Back to Our Roots	Gerry, David	Richard Thomas
Bacon, D.	Hay River Foods	Ridge End Organic Ranch
Barsness, Melody	Hemstock, Joe	Roesler, Ruth
Bear Pen Buffalo Ranch	Herrmeyer, Mary	Ruff, Sheree
Beaver Creek Ranch	Hog's Back Farm	Sabelko, Kathy
Becki's Mediterranean	Holland's Family Cheese	Sandman
Olive Salsa	Holy Land Brand Inc.	Produce/Sandman Sugar
Bennett, Vincent	Horse'O Peace Ranch	Bush
Bettendorf, Renee	J & T Sales Inc	Sasha's Salad Sandwich
Bill's	Jim's Cheese Pantry	Dressing
Blackberry Hills Farm	Johnson, Forest	Schaefers Orchard Run
Blechinger, Sandy	Kadejan	Schwebach,John or Sue
Bullfrog Fish Farm	Kalli	Simple Gifts Salmon
BYO BAGS	Keith Kozub	Six Rivers Cooperative
Cady Cheese	Lambalot Acres	SNO PAC Foods, Inc.
Casper Sugar Shack	Larry Schultz Organic	Spate, John
Castle Rock Organic Dairy	Farm	Spring Hill Community
LLC	Larsen, Penny	Farm
Coates, Sharon	Lee Beverage of	Steinberger, Brenda
Creative Ideas	Wisconsin LLC	Top of The Hill Farm
Crystal Ball Farms Dairy	Little Fingers Organincs	Turtle Creek Farm
Daum, Luci Design, LLC	Lund Egg Co., Inc.	Vern's Cheese Inc.
Drag Smith	Moss Green soaps	Watkins-Oberli
Dunn, Kathy	Natural Ovens Bakery	Wheatfield Hill Organics
Edison Northwest Liquor	Newhouse, Gabriel	Whole Grain Milling, CO.
Inc.	North Bay Trading Co.	Wik, James
Edstrom's Eden	Organic grooming,LLC	Wisconsin Growers

I report compliance! 😊😊😊

Policy Title: E.1 Results Definition

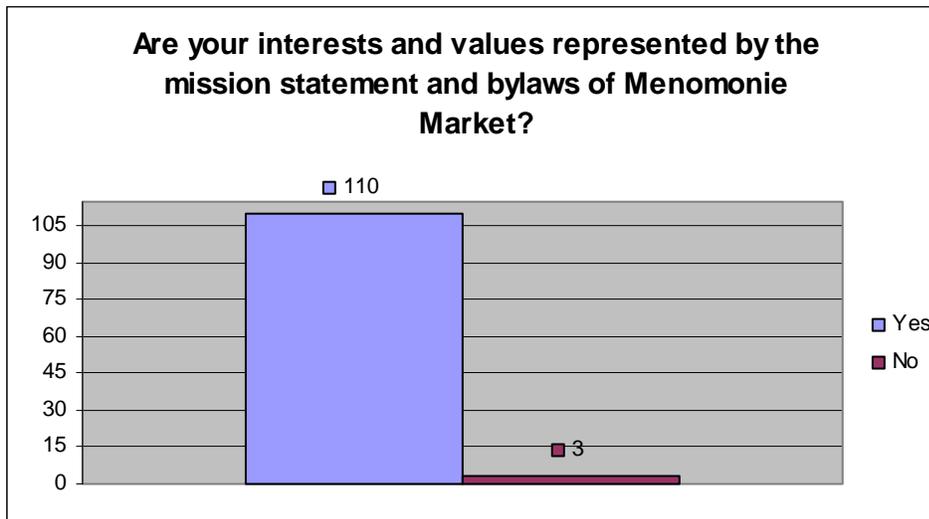
Adopted: 10/22/07

Cooperative sustainable economic development will result in an enhanced quality of life and an improved environment

I interpret this to mean that members of our community as defined in E.2 feel that the presence of the co-op has a positive effect on their lives, and that they feel that the co-op is achieving its Ends. I also interpret this to mean that the presence of the co-op has improved the physical, social, and economic environment of our community.

Our data to show compliance is difficult because of the newness of this policy; in subsequent years we will be able to build data that will show trends in these areas over time, taken from surveys of the community members that we serve, and from other measurements on our effect on our environment. For now:

Taken from our 2006 member survey:



- I love the friendly, helpful staff and the quality of selection of products. It's so pleasant to shop here. Wonderful food, wonderful people who love the food. I feel like I belong here when I am shopping.
- The coop is a VERY important part of Menomonie.
- I love my coop.
- I include MMFC in my "grateful for" prayer.
- We appreciate your work.
- We are all entirely thankful for the existence of such a nice place to buy high quality food.
- We are very happy with the way the coop is evolving on all levels.
- You're awesome! Great environment, love the classes, wonderful dedicated staff...and fantastic food-Great for body and soul. :)
- This market is a huge perk to all residents of Menomonie-I continue to be surprised by the number of people who don't know of its existence.
- I really appreciate the helpfulness of staff. I like that I can do almost all of my shopping in one place and a place that is a local business that supports other local businesses. I really value that the coop is a place where people share my values and ethics regarding food, health and society.

Future questions to establish compliance on this issue, with options ranging from Strongly Disagree to Strongly Agree):

- MMFC works to create a sense of community
- MMFC promotes environmental stewardship
- MMFC can be trusted to make ethical business decisions
- MMFC has a positive influence in my community
- MMFC is meaningful in my life
- MMFC has helped me become a better environmental steward

These questions are all included in the 2009 Member Survey, which will be out to all members soon, and for the first time be available online as well as in paper form. For now, we rely on all the previous data to indicate that our membership remains pleased with our performance.

I report Compliance.

Policy Title: E.2 Community Definition
Adopted: 10/22/07

The community is defined as all present and future members, patrons, employees, producers, and vendors with the focus on the local foodshed and the larger cooperative network

*** This policy is a clarifying statement and has no call to action, therefore it cannot be monitored for compliance. The definition of community is addressed in the monitoring of the Global Ends Statement.