



## FAQs About EEFC's Volunteer Program Transition

- **How many members will this change impact?**
  - A very small group of members volunteer on a consistent basis. On average we have about 33 members who volunteer on a recurring weekly schedule. Additionally, there are about another 60-70 who volunteer at off-site events on an as needed basis.
- **How do we know you're not just doing this to save money?**
  - This is the farthest thing from the truth. We were working to create even more volunteer opportunities by partnering with non-profits in the community. This plan would have allowed members to earn the same volunteer benefits by volunteering in designated community organizations as if they had volunteered directly in the store. We were seeking to expand volunteering within the store community, not eliminate it. It was only through working out the details of this proposed expansion of the existing program that we discovered the risk any form of volunteer program created for the Co-op.
- **Why can I volunteer at other non-profits in the city? Why is the Co-op different?**
  - The Co-op is not a non-profit as we do not have a 501(c)3 status. Our Co-op is incorporated as a Cooperative, Not For Profit. Under state laws, we are not permitted to use volunteers.
  - The fact we provided benefits to our volunteers was an additional practice of our program that was in conflict with existing labor laws, though even if we remove the discount benefits, we still are violating the law.
- **Do other food co-ops in PA and nationwide have viable volunteer programs? What prevents our Co-op from following suit?**
  - The reality is that most co-ops in the country have ended their volunteer programs, including our closest neighboring co-op located in Erie, PA.
  - Some co-ops are able to continue their program because they are structured differently (i.e. worker-owned) or incorporated in other states with more accommodating laws in place than Pennsylvania.
  - Because our Co-op is on the verge of an expansion project that will incur significant debt, we cannot afford to ignore liability concerns.

- **What other avenues for volunteering did the Co-op explore before reaching this decision?**
  - The 2 primary alternative models we researched were:
    - Volunteering in-store without credit – but it turns out that even removing the benefit didn't curtail some legal, insurance, and food safety considerations, thus not being a viable solution. We also didn't like the notion of not compensating volunteers for their work as we had done historically.
    - Community service based program – we hoped by partnering with other local non-profits we could enlist our volunteers outside of our store thus not being in conflict with health, food safety, and insurance concerns. But what we learned here is that we were still responsible for the insurance coverage of these circumstances, and that was made more complicated by the volunteers being in environments completely out of our control performing work that may have actually carried higher risks for injuries than the existing volunteer opportunities. We also still faced the benefit challenge in this model.
  - We also looked into alternative ways we could administer the benefits, in case that made a difference. We explored using coupons or gift cards in place of the current dated sticker method. It turned out that both were a larger liability than the existing policy. The only method we found that seemed worth exploring was wooden tokens in exchange for administering the discount, but given the circumstances outlined above, it still did not solve the underlying problems. We are mainly just noting this to further demonstrate the heartfelt efforts we put into trying to find a way to keep the program up and running.
  
- **Why not change our structure to staff-owned or non-profit to maintain participatory elements of the Co-op?**
  - The Cooperative, Not For Profit status recognizes the unique governance and membership structure of a cooperative. A non-profit status would not allow us to have members physically own the business, which is a fundamental component of the cooperative business model. The staff-owned model would do the same thing. In either case, over 11,500 members would be denied their ability to own this business and have the rights afforded by membership.
  - Abandoning the Cooperative, Not for Profit status, and forfeiting our ability to allow members to own the business hits at the core of cooperative principles and, for all intents and purposes, means we could no longer truly call ourselves a cooperative.

- **What are the benefits of co-op structure?**
  - The structure allows us to share profits with our members.
  - We currently do this, whether we make a profit or not, in the form of register discounts.
  - The Cooperative, Not for Profit status also allows us to defer some of our tax liability by reducing our taxable income through a patronage rebate, which is an alternate form of sharing our profits with our members. This would be akin to a corporation paying a dividend at the end of the year.
  
- **How do we preserve the cooperative culture of our Co-op? And if we can't volunteer, how else can we participate?**
  - Every time you shop at the Co-op, you are participating in our success!
  - You can also submit comment cards and make suggestions.
  - Attend a workshop.
  - Act as a Co-op ambassador by referring a friend.
  - Come to board meetings and member linkage committee events.
  - Vote in board elections.
  - Run for the board yourself!
  - Learn more from speaker Mark Goehring at the Annual Meeting about the many ways members participate in their Co-op!
  
- **What about volunteers who work for discount to make food more affordable?**
  - Though this is an unfortunate circumstance for those folks especially, the purpose of the volunteer program wasn't ever just to make food more affordable, though that was certainly one positive result, and an incentivizing reason for many folks to participate.
  - Rather, the program's main intentions were to A) realize Cooperative Principle #3: Member Economic Participation. Through contributions to the Co-op, members could receive additional economic benefit. B) Maintain the spirit of our cooperative history by allowing members to work in the store as non-staff, hearkening back to the days when more co-ops required members to be worker-owners.
  - For folks that are looking to find ways to continue shopping at the Co-op on a budget, we are happy to continue honoring SNAP and Senior Discount benefits to eligible shoppers. We also still have our quarterly discounts that folks can use for larger shopping trips. We will have a budget-oriented cooking class offered this fall that may help people learn skills to cook meals that permit shopping on a budget. We also encourage folks to shop in bulk whenever possible, which is a huge money-saver. And, of course, we can't forget about the money-saving special orders that members can enlist to shop by the case.

- **Is there any further exploration taking place, or is this just the end?**
  - While we can't make any guarantees that we will be able to find alternative arrangements that preserve some of the spirit of our volunteer program, we will continue to explore any new options that present themselves.
  - We are always in touch with fellow cooperatives via conferences and message boards, and have oft discussed this topic with these cooperators. So if any of our industry peers have updates related to this, we are tapped into communication platforms that will allow us to be aware of such happenings.
  - We also have legal counsel that are aware we have interest if possible in establishing some alternative program if it is possible, so it is our hope that through one of these avenues, a window of opportunity opens.

***Any further questions should be directed to Justin Pizzella at 412-242-3598 ext. 135 or [jpizzella@eastendfood.coop](mailto:jpizzella@eastendfood.coop)***