

# 2008 Cooperative Disaster Relief Fund Application

The Cooperative Disaster Relief Fund is available to help food cooperatives and organic or sustainable farmers who have experienced significant negative financial impact due to the 2008 storms and floods in Iowa, Wisconsin and other states.

Successful applicants will be notified as soon as possible. Applications will be accepted and reviewed on an ongoing basis.

(This fund is not an alternative to insurance and funds will not be made available to food cooperatives or farmers who have not adequately protected their assets with typical business insurance.)

*Organic farms* are defined as farms that have been certified organic by a USDA-approved certifying agency. *Sustainable farms* are defined as farms that integrate goals of environmental health, economic profitability and social and economic equity into their farming system.

With this application please submit:

1. **Most recent year-end financial statement**
2. **A breakdown on how funds will be used**
3. **A plan on how and when the cooperative or farmer will resume normal operations**
4. **What other funds have been raised**
5. **How the flood or catastrophic storms impacted your cooperative or farm**
6. **Amount of losses, including uninsured losses**
7. **The extent of financial hardship suffered**
8. **Your greatest immediate needs for your cooperative or farm**
9. **Other factors you think are relevant to your hardship**

Name of Cooperative Or Farming Venture: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_ E-Mail Address: \_\_\_\_\_

Are You A Landlord, Owner-Occupier or Tenant? \_\_\_\_\_ Amount Requested: \_\_\_\_\_

Date of Disaster: \_\_\_\_\_ Type of Disaster: \_\_\_\_\_

Please also provide:

- A brief description of the damage you experienced and how your cooperative or organic or sustainable farm venture has been affected
- Any other information you think would be helpful.

**Send the completed application and all attachments to:**

SUSAN@NCDF.COOP

or

Cooperative Disaster Relief Fund  
P.O. Box 1076  
Mandan, ND 58554-7076

Call Susan Davis at 701-663-3886 with any questions.

## **COOPERATIVE DISASTER RELIEF FUND**

### **FACT SHEET**

#### **What is the Cooperative Disaster Relief Fund and why was it started?**

The Cooperative Disaster Relief Fund (CDRF) was started in 1997 in response to the tremendous flooding of the Red River Valley of the North that damaged and destroyed many homes and businesses. Among those affected was the Amazing Grains food cooperative in Grand Forks, N.D., which sustained extensive damage. Fortunately for the folks at Amazing Grains, cooperators from around the country gathered for the annual Consumer Cooperative Managers Association (CCMA) conference shortly after the great flood. A lunchtime appeal was made for assistance and co-ops from all around the country raised more than \$8,000 for the Grand Forks store in less than three minutes. A later appeal by mail more than doubled that figure, and the funds raised allowed the co-op to rebuild and rise from the disaster better and stronger than before.

Luckily for Amazing Grains, the CCMA conference was held right after the worst of the floods and many people attending the conference were familiar with the disaster through the extensive news coverage of the event. Cooperators were able to respond quickly to an emergency situation. Recognizing that not every victim of natural disaster would be quite so fortunate in terms of timing and television coverage, the CDRF was established by the cooperative community as a permanent ongoing fund to be used solely for disaster relief for any food cooperative in need at any time.

In 2008, we found renewed interest in the CDRF after early summer floods devastated parts of Iowa, Wisconsin and other states. And, because of the widespread damage, the CDRF was expanded to offer help to organic or sustainable family farmers in addition to food cooperatives.

#### **What kinds of disasters are covered by the CDRF?**

The CDRF was established to respond to damage caused by natural disaster (flood, tornado, hurricane, earthquake etc.) of a type not generally covered by conventional business insurance. It is not designed to serve as a replacement for adequate business insurance.

#### **How much money does the CDRF have, and how much is given away?**

The CDRF began with a goal of maintaining an ongoing fund with a minimum balance of \$20,000. Because so many food cooperatives and organic or sustainable family farmers were devastated in 2008, CDRF will limit the dollar amount to \$5,000 per applicant (or half the fund's assets, whichever is less).

#### **What kinds of expenses can be covered?**

Fund grants may be used to pay for clean-up, repair or replace damaged equipment or rebuild facilities. Funds may also be used for damage and loss of saleable products, loan and mortgage payments and testing for contaminants from runoff. Other uses for funds may be proposed by applicants in their application letter. CDRF money cannot be used to replace income from lost sales or other uses of a speculative nature.

#### **Can any food co-op or farmer apply for a grant? What about non-co-ops?**

The CDRF is intended for use by food cooperatives across the country working in the natural or organic foods industry. Applicants may be consumer, producer, worker, or secondary cooperatives. In addition to food cooperatives, the Fund has added assistance to organic or sustainable family farmers for 2008 as many of these producers also suffered major losses.

Priority for grants is given to smaller cooperatives or family farmers, or those with otherwise limited assets. Non-cooperatives may apply for funding only if the organization essentially operates on a cooperative basis by incorporating the essential elements of cooperation in its governance structure.

A co-op or farmer does not have to be a contributor to the Fund in order to apply for and receive a grant from the CDRF.

#### **Are matching funds required?**

Not in every case, but matching CDRF dollars with dollars from other sources can be very helpful. Decisions are made on a case-by-case basis.

**Where does the money in the CDRF come from?**

The CDRF grant capital comes from contributions both large and small, from cooperatives, organizations and individuals all over the country who believe in cooperation and want to help other co-ops in times of need. Contributions to the fund are welcome at any time of the year. The CDRF also conducts a concerted fund drive every October during Co-op Month.

**Are donations to the CDRF tax deductible?**

Yes. Donations to the Cooperative Disaster Relief Fund are now tax deductible as they are being made and handled through the Northcountry Cooperative Foundation, a 501(c)3 non-profit organization. Receipts will be issued to those donating \$250 or more as federal tax law requires a receipt from the benefiting charity before you file your tax return.

**Who is responsible for overseeing the CDRF?**

A board of three or more trustees is responsible for overseeing the fund. All CDRF money is being held in a special account with Northcountry Cooperative Foundation, which also tracks all collections and distributions from the Fund.

An annual meeting will be held every year at the CCMA conference where interested parties can meet to discuss the progress and administration of the fund. The first such meeting was held in June of 1998.

**Who makes the decisions for funding?**

The CDRF trustees are responsible for generating funding guidelines and for making all funding decisions. The financial need of the applicant and the relative impact of the disaster on its continued operations are key criteria for funding decisions. All decisions of the trustees are final.

**If I or my co-op is a contributor to the CDRF, are we guaranteed of getting our money back should our co-op ever suffer a disaster?**

No. The CDRF is not an insurance pool. Any co-op or farmer, contributor or not, may apply and receive a grant. Funding decisions are based on the nature of the disaster and the need of the applicant. Contributor status is not a factor in awarding grants. The goal, however, is to build the Fund to such a size that every food co-op and organic or sustainable farmer in need would receive funding. The amount of money awarded each year will be a function of both the amount of money in the CDRF and the number of requests we receive.

**Who gets the money if the CDRF should ever be dissolved?**

Money would be used to help disaster relief projects until all funds were exhausted.

**How can I or my co-op contribute?**

You can send your contribution to:

Northcountry – Co-op Disaster Relief Fund  
1219 University Ave. S.E., Suite 500  
Minneapolis, MN 55414

Make your check out to Northcountry Cooperative Foundation but be sure to mark it clearly for the “Cooperative Disaster Relief Fund” in the memo space on the check.

Or, you can donate online at: [www.ncdf.coop](http://www.ncdf.coop)

**How can my co-op apply for a grant?**

The 2008 application form is now online at [www.ncdf.coop](http://www.ncdf.coop). Or, call Northcountry Cooperative Foundation at 612-331-9103 and ask for an application. Applications are accepted at any time, but please allow several weeks for processing.

**What if I have other questions?**

Call Susan Davis, Fund manager, at Northcountry Cooperative Foundation at 701-663-3886 with any questions. Or, if you prefer, e-mail Davis at [susan@ncdf.coop](mailto:susan@ncdf.coop)