



# COMMUNITY PURCHASING ALLIANCE

## Membership Overview

Benefits | How the Coop Works | Estimated Savings | Purchasing Commitment | Membership Investment | Member Meetings | Sharing of Best Practices | Member Dividend

### Benefits of Membership

1. **Strength in numbers.** The volume of purchasing provides economies of scale, which an individual organization could not typically reach on its own.
2. **Better pricing.** Because of volume, we are generally able to negotiate lower prices than an individual member would be able to secure on its own.
3. **Best practices.** We provide access to the combined knowledge of all our members. This allows the members to share best practices and efficiencies, which ultimately benefits all.
4. **Time savings.** We do much of the work for you: research new products/services, get competitive bids, negotiate pricing and contracts.
5. **Support common interests and values.** Since we pull together faith, educational, and community organizations, we're able to embrace and support common values and interests (community organizing, local purchasing, sustainability) to a greater level than any one individual organization.

### How the Coop Works

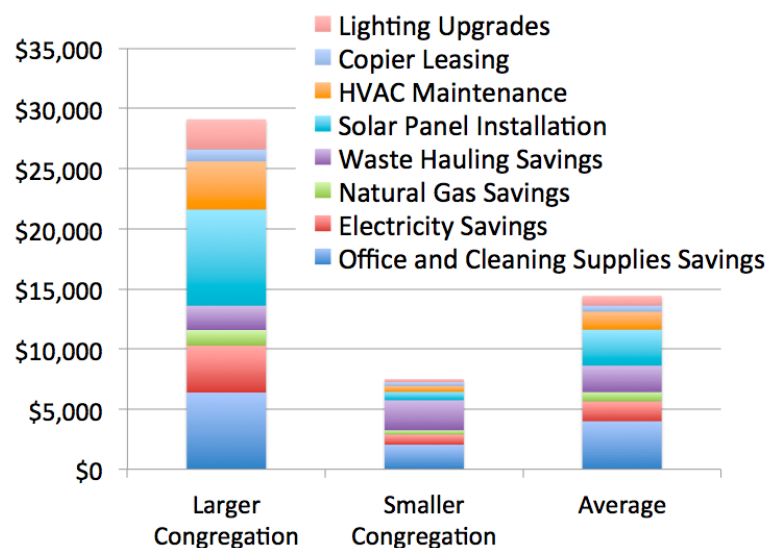
1. **Your purchasing grows the buying power of the group.** This market leverage is used to deliver savings (5-35%) and improve quality of services.
2. **From your purchasing, a portion of the savings - a "rebate" - is negotiated with vendors,** and this rebate funds the coop's operations - including staffing, consultants, and other expertise.
3. **We use our collective market power for more ethical business practices.** In particular, through our local purchasing programs, we incorporate worker fairness and local ownership considerations as well as sustainability and renewable energy.

### Estimated Savings

Based on our analysis of a representative sample of faith institutions, we expect a smaller congregation to save about \$7,000 per year and a larger congregation to save about \$28,000 per year.

### Purchasing Commitment

Members commit to making a good faith effort to purchasing in at least five areas. There is some flexibility where members can choose which areas make sense for them given their current arrangements.





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## Membership Investment

Your one-time investment in building the Community Purchasing Alliance ranges between \$750 for small institutions to \$5,000 for large institutions (see chart below). This member investment is critical to providing capital for reserves and growth and during the start-up period this funding is essential for staffing and operations. There is some flexibility about when the membership investment is made. It is not meant as an obstacle to participation, but rather an avenue for strengthening the cooperative's development.

Operating Revenue (Annual)	<400k	400k - 550k	550k - 700k	700k-900k	900k - 1.15M
Member Investment	\$750	\$1,000	\$1,250	\$1,500	\$2,000

Operating Revenue (Annual)	1.15M - 1.3 M	1.3 - 1.6 M	1.6 - 1.85M	1.85 - 2.15M	2.15 - 2.4M	2.4M & Above
Member Investment	\$2,500	\$3,000	\$3,500	\$4,000	\$4,500	\$5,000

## Annual Membership Contribution

Beginning in the 2<sup>nd</sup> year, there will be an annual membership contribution of between \$100 and \$500 per member depending on size of your organization (see right).

Member Contribution	Operating Revenue (Annual)
\$100	Less than \$750,000
\$200	\$750,000 to \$1,250,000
\$300	\$1,250,000 to \$1,750,000
\$400	\$1,750,000 to \$2,250,000
\$500	\$2,250,000 or more

## Membership Meetings

The Community Purchasing Alliance holds an annual membership meeting where members participate in key governance decisions including electing board members, setting priorities for the upcoming year, and building relationships with peers at other institutions.

## Sharing of Best Practices & Shared Services

Periodic communications and opportunities for sharing of best practices will be organized by the cooperative. These opportunities will facilitate relationship building as well as tangible ways to improve operations and administration.

## Online Marketplace

The user-friendly online marketplace helps members access and review opportunities to take advantage of savings in additional areas. All members will have access to this streamlined website that shows the coop's comprehensive set of offerings in one place.

## Member Dividend

When operational costs are covered in a given year, and the coop has needed reserves, the remaining rebate revenue will be issued as a dividend to members and IAF community organizing. The member dividend will be pro-rata based on the volume of purchasing from each member in the previous year.



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