

What % understand your cooperative's?	Board Members	Co-op Members
Financial Condition	Less than 20% 20-40% 40%-60% 60%-80% More than 80%	Less than 20% 20-40% 40%-60% 60%-80% More than 80%
Budget & Control Processes	Less than 20% 20-40% 40%-60% 60%-80% More than 80%	Less than 20% 20-40% 40%-60% 60%-80% More than 80%
Equity program & its alternatives	Less than 20% 20-40% 40%-60% 60%-80% More than 80%	Less than 20% 20-40% 40%-60% 60%-80% More than 80%
Value creation strategies	Less than 20% 20-40% 40%-60% 60%-80% More than 80%	Less than 20% 20-40% 40%-60% 60%-80% More than 80%



How do you present co-op's financial condition?	Notes on how you present
Reporting to the board? <ul style="list-style-type: none"> • Basic budget and financial statements? • Highlight "exceptions"? • How much time in board meeting? • Setting next year's operating & capital budgets? 	
What measures used with the board? <ul style="list-style-type: none"> • Raw numbers, ratios and variances? • DuPont Formula: <i>PM x TAT x EM = ROE?</i> <ul style="list-style-type: none"> • <i>Or something that shows interconnections?</i> • Have standards of comparison? • Set trigger points for management action? • Focus on a manageable number of key financial performance measures? 	
Reporting to the member? <ul style="list-style-type: none"> • Annual report only? • Other means of reporting? 	



<p>How good is your co-op's equity program?</p>	<p>1 = poor performance; 5 = strong performance</p>
<p>Raises adequate equity for investment</p>	<p>1---2---3---4---5</p>
<p>Raises adequate equity for debt capacity</p>	<p>1---2---3---4---5</p>
<p>Raises adequate equity to manage risk</p>	<p>1---2---3---4---5</p>
<p>Minimizes cooperative's need to redeem equity</p>	<p>1---2---3---4---5</p>
<p>Treats members fairly</p>	<p>1---2---3---4---5</p>
<p>Assures proper returns to member equity</p>	<p>1---2---3---4---5</p>
<p>Assures members' willingness to invest equity</p>	<p>1---2---3---4---5</p>



How does your co-op create value for its members?	We do this	We measure & report it
Pay dividends on capital	Yes/No	Yes/No
Pay cash refund in excess of member tax rate	Yes/No	Yes/No
Positive present value of retained patronage	Yes/No	Yes/No
Price difference vs. member alternative	Yes/No	Yes/No
Service difference vs. member alternative	Yes/No	Yes/No
Value of co-op's marketplace existence for member?	Yes/No	Yes/No
Value of risk reduction vs. member alternative?	Yes/No	Yes/No

