

## **WECAN Food Basket Society – FAQ for Special Resolution Meeting**

### **Section 1: Financial Transparency and Communication**

#### **1. Why was the financial situation not brought to our attention sooner?**

We understand why members are asking this question, and we recognize that the recommendation to dissolve WECAN may have come as a surprise.

The current Board spoke with a previous Board Chair regarding how WECAN's financial challenges had been communicated to members. Their understanding was that the information provided through the previous Annual General Meeting notice and related materials sufficiently addressed WECAN's financial circumstances at that time.

However, we recognize that communicating financial challenges is not necessarily the same as communicating the seriousness of those challenges or the possibility of dissolution.

WECAN has experienced financial sustainability challenges over several years, and successive Boards have undertaken efforts to address them through grant applications, fundraising, operational improvements, and cost reductions.

As the current Board continued reviewing WECAN's financial position, operational capacity, and long-term sustainability, it became clear that a more significant decision regarding the organization's future needed to be brought before membership.

To support transparency and informed decision-making, the Board prepared a comprehensive Due Diligence Report outlining the financial challenges, actions undertaken, alternatives considered, and rationale for recommending dissolution.

In addition, members will have access to printed copies of the available draft financial statements at the October 24 Special Resolution Meeting. These will be the most current statements that have completed the Board's established review process.

We acknowledge that more frequent and direct communication about WECAN's long-term sustainability would have helped members better understand the challenges facing the organization.

Our intention now is to ensure members have access to the information necessary to make an informed decision about WECAN's future.

#### **2. Why can't members access WECAN's current financial statements on the website?**

WECAN is committed to providing members with access to appropriate financial information to support informed decision-making.

However, the current year-to-date financial statements are draft, internally prepared, uncompiled, and unaudited. They have not yet completed all reconciliation, adjustment, compilation, or independent audit processes.

Historically, the financial information published on WECAN's website has been finalized, adjusted, and compiled with the involvement of an external accountant.

Publishing the current draft financial statements alongside these historical records could create the impression that they have undergone the same level of professional review when they have not.

For this reason, the Board has determined that the current draft statements will not be distributed electronically or published on WECAN's public website.

**This does not mean members are being denied access to WECAN's financial information.**

The Board has consulted with WECAN's accounting support and GibbSuave, the external accounting firm engaged to complete WECAN's audit, regarding the appropriate handling of these records.

Printed copies of the available draft financial statements will be provided for members to review at the October 24 Special Resolution Meeting.

The financial period available will depend on which statements have completed the Board's established review process. The Board anticipates providing August 2026 statements if they receive the required review. Otherwise, July 2026 statements will be the most recent available through that process.

Members should also understand that these statements remain preliminary and may be subject to adjustments as the year-end accounting and audit processes are completed.

The Board believes this approach balances two important responsibilities: providing members with meaningful access to financial information and ensuring that preliminary financial records are not publicly presented as finalized or independently audited.

### **3. Why are WECAN's current financial statements not audited?**

As part of its work to strengthen financial oversight and accountability, WECAN engaged GibbSuave, an external accounting firm, to undertake an independent audit for the fiscal year ending March 31, 2026.

The audit process requires financial records to undergo reconciliation, review, and verification before an independent audit opinion can be issued.

Although the audit has not yet been completed, the Board has continued reviewing available financial information, working with accounting professionals, and assessing the organization's financial position.

Draft internal financial statements and independently audited financial statements serve different purposes and should not be presented as equivalent.

The Board has taken steps to strengthen financial controls and reporting processes, and the current financial information will be clearly identified as preliminary when made available to members.

#### **4. Why are we holding this meeting now instead of waiting until the new year?**

The Board believes it is important to involve members while there is still an opportunity for their decision to meaningfully influence WECAN's future.

By holding the meeting now, members have an opportunity to ask questions, express their views, consider the Board's recommendation, and participate in determining the organization's future.

If the meeting were delayed until the new year, WECAN's remaining financial resources could be further depleted, potentially leaving insufficient time or flexibility for members to meaningfully influence the outcome.

Holding the meeting in October also provides time to plan responsibly for either decision, including financial commitments, staffing obligations, food basket operations, and organizational changes.

The purpose of holding this meeting now is to preserve members' ability to participate in the decision.

#### **5. If someone offered WECAN a blank cheque today, how much would be needed to keep the organization open?**

The Board estimates that approximately **\$160,000 in additional funding** would be required to support an organizational stabilization plan.

This amount would help address essential staffing and operational capacity, including the ability to hire an Executive Director to provide dedicated organizational leadership.

WECAN's current operating model relies heavily on a small staff team, volunteers, and Board members who have taken on significant operational responsibilities.

The workload has become increasingly difficult to sustain, particularly as financial management, regulatory compliance, fundraising, human resources, and organizational governance have become more complex.

Additional funding would help address these capacity gaps and establish a more appropriate organizational structure.

However, \$160,000 should not be understood as a permanent solution. WECAN would also require predictable, recurring funding and a sustainable operating plan.

A one-time donation could create an opportunity for stabilization, but it would not, on its own, guarantee long-term sustainability.

## **6. Why does WECAN hold small fundraising events when it needs significantly more money?**

The Board recognizes that smaller fundraising initiatives are unlikely to generate the level of funding required to address WECAN's structural financial challenges.

However, the organization does not currently have sufficient staff or volunteer capacity to plan and execute large-scale fundraising events without placing additional pressure on existing resources.

Larger events often require significant advance planning, sponsorship development, volunteers, upfront expenses, and financial risk.

WECAN has continued pursuing smaller fundraising opportunities because every dollar contributes to supporting the program.

These initiatives are not intended to replace major funding sources. They are one component of a broader fundraising and sustainability strategy.

## **7. If the grant landscape has changed, why hasn't WECAN pursued sponsorships, private donations, and foundations?**

WECAN has actively pursued alternative funding sources beyond traditional government grants.

These efforts have included outreach to family foundations, potential corporate supporters, community organizations, prospective donors, and other potential partners.

Board members have participated in meetings, outreach campaigns, relationship development, and follow-up communications intended to secure additional financial support.

In August and September 2026, a former Director undertook a targeted outreach initiative involving more than **150 emails** to family foundations and prospective funding contacts.

The outreach used Board-approved communications and included telephone follow-up. Of those contacted, one response was received.

While disappointing, this reflects the significant challenges WECAN has experienced in securing new private-sector funding.

The Board continues to recognize the importance of relationship development and diversified revenue. However, outreach activity does not necessarily translate into confirmed funding, and many potential funding relationships require considerable time to develop.

#### **8. Has WECAN applied for grants, and why haven't they been enough?**

Yes. WECAN has continued to pursue grants and other funding opportunities.

Grant revenue has fluctuated significantly, and many grants are competitive, restricted to particular projects, or unavailable for ongoing operating expenses.

The loss of previously available Community Initiatives Program operating funding has also increased the pressure on WECAN's financial model.

The Board's concern is not simply whether WECAN can obtain individual grants. It is whether the organization can secure sufficient predictable funding to meet its continuing obligations.

WECAN has also explored operational improvements, cost reductions, fundraising initiatives, and alternative funding arrangements in an effort to address these challenges.

#### **9. Why haven't members seen more requests for volunteers?**

WECAN has made numerous efforts to recruit both operational volunteers and Board members over the past several years.

Recruitment initiatives have included social media campaigns, WECAN's website, member newsletters, career fairs, and postings through external volunteer and professional networks.

These have included the City of Edmonton, Chartered Professional Accountants of Alberta, Law Society of Alberta, and CPHR Alberta.

**Examples of WECAN's documented social media volunteer recruitment efforts include:**

| <b>Date</b>       | <b>Platform</b>        | <b>Recruitment Focus</b>                            |
|-------------------|------------------------|-----------------------------------------------------|
| August 2026       | LinkedIn               | General call for volunteers                         |
| June 10, 2026     | Instagram and Facebook | Fundraising volunteers                              |
| May 19, 2026      | Instagram and Facebook | Human Resources and Governance Committee volunteers |
| February 12, 2026 | Facebook               | Urgent casino shift volunteer recruitment           |
| January 13, 2026  | Instagram and Facebook | Casino volunteers                                   |
| September 9, 2025 | Instagram and Facebook | General call for volunteers                         |
| December 26, 2024 | Facebook               | Depot volunteers                                    |
| October 3, 2024   | Facebook               | Depot volunteers                                    |

These examples demonstrate that volunteer recruitment has been an ongoing activity rather than an initiative introduced only in response to the current financial challenges.

Despite these efforts, WECAN continues to experience difficulties recruiting individuals who can consistently commit the time and specialized expertise required.

While WECAN is fortunate to have many dedicated volunteers, there is a difference between recruiting volunteers for individual activities and securing individuals who can take on ongoing governance, financial, operational, and leadership responsibilities.

The Board is grateful for the extraordinary contributions of WECAN's volunteers. The capacity concern is not a reflection of their commitment, but of the demands being placed on a volunteer-supported organization.

#### **10. Why can't the Board and volunteers simply take on more responsibilities?**

WECAN's Board members and volunteers already contribute considerable time to maintaining operations and supporting the organization.

In addition to governance responsibilities, Directors have been involved in fundraising, financial oversight, recruitment, operational planning, grant development, and other organizational activities.

A volunteer Board can provide leadership and oversight, but it is not a sustainable substitute for appropriately resourced operational management.

Continuing to transfer responsibilities to volunteers without sufficient staffing, systems, and financial resources creates risks involving continuity, accountability, burnout, and compliance.

The Board believes that a sustainable future requires a clearer separation between governance and day-to-day operational management, supported by adequate staffing.

## **11. Why wasn't membership consulted before the Board voted to recommend dissolution?**

We recognize that WECAN's members have a strong connection to the organization and that many would have appreciated an earlier opportunity to participate in discussions about its future.

WECAN began more than 30 years ago as a grassroots, community-driven food purchasing initiative. Its success was built on collective participation, shared responsibility, and community involvement.

As the organization developed, it adopted a more formal non-profit governance structure and subsequently operated as a registered charitable organization.

With that development came more formal responsibilities involving financial oversight, employment, regulatory compliance, charitable reporting, and the legal duties of Directors.

Under the governance framework of an incorporated society, the Board is responsible for overseeing the organization's affairs, assessing risks, and bringing significant matters forward for member approval where required.

In this case, the Board's vote was **a recommendation to bring dissolution forward for membership consideration, not a final decision to dissolve WECAN.**

The Board undertook its review and voted on whether to recommend dissolution. The members will now decide whether to approve that recommendation through a Special Resolution.

Under Alberta's *Societies Act*, the standard Special Resolution procedure requires at least 21 days' notice specifying the intention to propose the resolution and approval from at least 75% of eligible members who vote in person or by proxy, where permitted. The Act also provides limited alternative procedures involving unanimous consent. WECAN's filed bylaws must also be followed.

We acknowledge that WECAN's transition from its grassroots beginnings to a more formal governance structure may not always have been clearly explained to members over the years.

We apologize for any confusion this has caused and recognize that clearer communication about the roles and responsibilities of the Board and membership would have been beneficial.

## **12. Does the Board have the authority to close WECAN without the members voting?**

The Board has the authority and responsibility to assess WECAN's circumstances and make recommendations about its future.

However, the Board's September recommendation does not itself authorize voluntary dissolution.

The proposed voluntary dissolution must proceed through the required membership approval process and subsequent legal and regulatory steps.

Members will be asked to vote on the Special Resolution at the October 24 meeting.

## **13. What happens if members vote in favour of dissolution?**

If the Special Resolution passes, WECAN would begin an orderly wind-up process.

The proposed target date for ending regular operations is December 31, 2026.

The wind-up would involve addressing outstanding financial obligations, employment requirements, member orders, contractual commitments, restricted funds, assets, records, and regulatory reporting.

Formal legal dissolution would occur only after the necessary requirements have been completed and would not necessarily take place on December 31.

Members would receive further communication about the outcome of the vote and the next steps.

#### **14. What happens if members vote against dissolution?**

If members do not approve the Special Resolution, WECAN would not proceed with voluntary dissolution under that resolution.

However, the underlying financial and operational challenges would remain.

The Board would need to determine how the organization could continue responsibly, including identifying sufficient funding, staffing, volunteers, and governance capacity.

This would likely require a revised operating plan, more substantial fundraising commitments, increased Board and member participation, and potentially changes to the organization's operating model.

A vote against dissolution would mean that members have rejected the proposed dissolution. It would not, by itself, provide the resources required to continue operating.

#### **15. If members vote to remain open, will WECAN continue operating as it does today?**

Not necessarily.

The Board has identified significant concerns with the sustainability of the existing operating model.

If WECAN remains open, meaningful changes would likely be necessary to address funding, staffing, volunteer capacity, governance, and operational responsibilities.

The Board would need to work with members to determine what a realistic and adequately resourced operating model could look like.

#### **16. Why has the Board recommended dissolution if WECAN is still providing baskets to members?**

WECAN continues to provide a valuable service. The Board's recommendation is not based on a lack of community need or the absence of positive outcomes.

The concern is whether WECAN has the financial resources, staffing, and organizational capacity to continue delivering that service responsibly over the longer term.

The ability to continue operating today is different from having a sustainable plan for the future.

**17. Has WECAN considered merging with another organization or transferring the program?**

The Board has considered alternative operating models and opportunities for collaboration as part of its due diligence.

However, any merger, program transfer, or partnership would require a willing and suitable organization, appropriate financial and operational arrangements, and compliance with applicable legal and charitable requirements.

No alternative should be presented as a confirmed solution unless a formal agreement and viable implementation plan exist.

**18. Why doesn't WECAN increase membership fees or basket prices?**

WECAN's mission is to make food more affordable and accessible.

Increasing prices could place additional financial pressure on the households the program is intended to support.

While changes to pricing or membership fees could form part of a future sustainability review, the Board would need to consider the effect on affordability, participation, and WECAN's charitable purpose.

**19. What happens to WECAN's remaining money and assets if dissolution is approved?**

WECAN would first need to satisfy or make appropriate provision for its lawful debts, liabilities, employment obligations, and wind-up expenses.

Restricted grants, donations, and other funds would need to be handled according to their applicable conditions.

Any remaining assets would be dealt with in accordance with WECAN's governing documents and the applicable provincial and federal requirements for registered charities.

Remaining charitable assets cannot simply be divided among members.

**20. Can members still propose solutions before the vote?**

Yes. Members are encouraged to ask questions, share ideas, and bring forward realistic proposals that could help address WECAN's financial and operational challenges.

The Board welcomes constructive discussion, including potential funding opportunities, organizational partnerships, and commitments of resources or expertise.

Any proposal would need to be assessed for its feasibility, financial implications, timing, and ability to address the organization's ongoing obligations.

The purpose of the meeting is to ensure that members can make an informed decision about WECAN's future.

**21. If WECAN closes, will members receive a refund of their annual membership fees?**

WECAN understands that members may have questions regarding their annual \$5 membership fees should the organization proceed with dissolution.

Membership fees contribute to supporting the administration and ongoing operations of the organization.

At this time, no decision has been made regarding membership fee refunds. Any requests for refunds would need to be reviewed by the Board of Directors in accordance with WECAN's bylaws, applicable legislation, and the organization's financial obligations.

The Board remains committed to managing WECAN's remaining financial resources responsibly and ensuring that any decisions are made in accordance with its legal obligations.

*This FAQ is intended to provide members with additional information and context regarding the proposed Special Resolution. It should be read alongside WECAN's Board Due Diligence Report and the formal Special Resolution notice. The FAQ does not replace WECAN's bylaws or applicable legal requirements.*