



## Pay what you can program

The Ohio City Bicycle Co-op still follows the tenets of respect, resourcefulness, and reciprocity that the youth in our first Earn A Bike program agreed upon in 2002; to treat everyone the way each of us would like to be treated *if we were in their place*; to make the most of everything we have, including our time together; and for everyone to do their best, and get back what they put in.

But we realize that, for all kinds of reasons, some people can't put in time to earn a bike, don't have the resources to buy one, or may have trouble interacting respectfully in a cooperative workplace. So we have always fixed up bikes for folks who can't reciprocate, since our motto is to "help people use bikes" -- without qualifiers.

This practice wasn't considered a formal policy or program, we just did it. In 2015, though, when we made the strategic decision to eliminate co-op membership and make [Shop Use](#) open to the public, we began to find we were spending more and more time resuscitating very worn bikes for people who wanted to use the shop but didn't know how to fix their bike. This fostered lots of good mechanical education for people who really needed it -- and, reciprocally, some folks we helped would return and become great volunteers -- but it made it hard for our treasurer to figure out where our labor costs were going.

Another effect of becoming a more public space was the need to define a [Safe Space Policy](#), as many similar Community Bicycle Organizations have; to avoid and address with best practices potential occurrences of physical or emotional violence from, or against, anyone we work with (basically explaining those "3Rs" of respect, resourcefulness, and reciprocity; but in detail, and with consequences).

The intensively collaborative process of creating a Safe Space Policy, begun in 2018, dovetailed with the first steps to formalize a Pay What You Can policy, creating a form that simply asks folks to explain why they can't pay full price or volunteer for what they need, and how having a bike would help them.

On the other side of the ledger, we are learning to, respectfully, ask paying customers to pay anything *they* can above their purchase price, to help others in need. We also allocate all in-shop cash donations, including the \$5 we request with bike donations, to this now official Pay What You Can program. The goal is to make this potentially costly policy "revenue neutral."

### Impacts of Covid-19

Now, however, the Covid-19 pandemic has added additional potential need for this program,

since OCBC is not allowing any public foot traffic in the shop or other work areas for public health measures. This eliminates public shop use, which many indigent patrons rely on for bike maintenance; as well as “work trade” volunteering as an option for earning a bike or service. This is especially difficult while social ramifications from containment of the virus are increasing the need for these services, adding urgency to the implementation of this program.

### **Non-profit basics: OCBC’s role as a public charity**

Because [OCBC’s mission](#) is recognized by the IRS as a charitable purpose, our business is considered a non-profit corporation, so we do not pay income tax (but we still must collect Ohio sales tax on things we sell, like any retail business). This 501c3 status also allows people who donate things to us to deduct the value of the donation from their taxable income to lower their own income taxes, so we cannot trade goods or services for donations. It also means no “profits” can be taken out of the business, so there are no owners or financial investors -- instead we have a [Board of Directors](#); members of the community, who are responsible for the proper conduct of the corporation.

Still, to keep the shop open to serve the community we have to pay rent, utilities, insurance, and other overhead expenses, like any business. We are committed to fairly and legally compensating our small, full-time staff, so we have to pay employment taxes, Workers’ Compensation insurance and Social Security. We also contribute voluntarily to their health care, because it is right.

To cover these costs, we charge fair-market prices for bikes we refurbish, and parts and accessories that we sell; and \$60/hour (on the low end of regional hourly labor fees) to repair customers’ bikes, or to assist those who need help doing their own repairs in our shop. We charge \$5/hour to use the shop work stations, tools, and supplies; and we give \$5/hour in Shop Credits to everyone who volunteers. Shop Credits may be used for Shop Use, any donated parts or accessories, most un-refurbished bikes (priced at ½ of their refurbished price), and for [Shop Class](#) lessons on bike repair (priced at ~\$12/hour, average for similar lessons at other non profits or municipal rec centers).

We respect and appreciate our area’s for-profit Local Bike Shops, and collaborate with them in many ways. We strive to fill a niche they cannot, and the Pay What You Can program is part of that role.

### **How our Pay What You Can program works**

We ask everyone to pay with money for our labor and the few things we need to buy new (mostly accessories like lights, helmets, or locks, and “wear parts” like chains or brake cables). Anyone may use Shop Credits for any amount of donated items (but using over 600

Shop Credits per year becomes taxable income, reported to the IRS).

If cost or volunteering time is a hardship for anyone, we will waive this expectation of reciprocity: individuals (or non-profit groups) can pay and/or volunteer what they are able for what they need. We do not require any proof of income, but we do ask for a short explanation of their situation which we might use in fundraising to cover these unreimbursed costs.

If an individual needs a second bike awarded under this program because the first one was stolen, we require a copy of the police report (and provide proof of purchase and the bike serial number with every bike we sell or award).

**Individuals' Pay What You Can explanation form:**

We ask everyone to pay with money for things we pay for, but anyone can volunteer and earn \$5/hour in Shop Credits for any donated items. This is part of what we mean by reciprocity; but we understand that sometimes exceptions are needed.

If cost or volunteering your time is a hardship, you can pay or volunteer for whatever part you can, and we will find other ways to cover the rest of the cost of what you need.

To ask others to make up this funding, it helps to know how often we make this exception, and why. So please give a short explanation of why you are unable to pay or volunteer for what you need, and how it will help you. We do not require any proof of income, but if you are comfortable telling us about unemployment or other benefits you get, it will help us describe to donors why this money is needed.

We may use your explanation for funding requests, but will never use your name without your permission. You may write your explanation here, or dictate it to a staff member.

What prevents you from volunteering or paying for what you need today?

What will this gift help you to do differently?

May we use your name with this explanation?

Are you willing to speak on video about your situation and how you use your bike?