

Lyon-Lincoln Electric Cooperative

301-FUNCTIONS

I. OBJECTIVE

To establish, clarify and interpret the responsibilities and authorities of the board of directors as set forth by law, the Articles of Incorporation, the Bylaws, and accepted business principles.

I. POLICY

A. Functions to be performed by the board.

The board is responsible for governing the cooperative. It will establish policies, approve major plans, programs, and budgets, receive management reports, and establish broad objectives for the General Manager.

The board will:

1. Elect officers in accordance with applicable law, the Articles of Incorporation, and the Bylaws.
2. Exercise its responsibility for management oversight, being cognizant of its ultimate responsibility for corporate acts.
3. Establish board committees.
4. Hire the General Manager, delegate to the General Manager the authority and responsibilities contained in Policy No. 201, and consider and respond to management recommendations.
5. Hire legal counsel, delegate to the legal counsel authority and responsibilities, and consider and respond to legal recommendations.
6. Conduct periodic performance appraisals of the General Manager, review the appraisal results with the General Manager (and provide a copy), and counsel with the General Manager as appropriate.
7. Arrange for or conduct periodic appraisals of board performance.

8. Facilitate the growth and development of the directors and the board. Directors are required to complete the Credentialed Cooperative Director training through National Rural Electric Association (NRECA) within the first two terms of being elected to serve as director.
9. Conduct regular and special meetings, and approve minutes after review by the General Manager and legal counsel.
10. Conduct executive sessions which are not open to members when discussing confidential employee matters, litigation, and other sensitive matters.
11. Authorize the money, facilities, and equipment necessary to carry out the objectives of the cooperative including the review and approval of the operating budget and the review of all major budget revisions as well as requests for non-budgeted items exceeding the limits set forth in Policy No. 502.
12. Establish controls for appraising the effectiveness of the cooperative, and review periodic reports from the General Manager and staff to ascertain conformity with the board's policies and objectives.
13. Assure the financial affairs of the cooperative are being conducted and recorded in accordance with all prescribed laws and regulations, and that the financial records accurately reflect the financial conditions of the cooperative. Select an auditor and oversee a full and complete audit of the accounts, books, and financial condition of the cooperative on an annual basis.
14. Determine and adopt key issues, strategic initiatives and objectives, and major goals, and monitor desired results.
15. Review and approve broad operating programs of service and activities developed and recommended by the General Manager.
16. See that the board is in compliance with all legal requirements.
17. Conduct meetings and other activities to inform members and obtain their ideas and suggestions.
18. Review participation in outside activities that enhance the cooperative's prestige, strengthen the cooperative's operations, and fulfill the cooperative's obligations to its members and the communities served by the cooperative.

B. Directors will generally refrain from discussing management and personnel issues with LLEC's personnel. Directors wishing to discuss management and personnel issues with any cooperative employee should first notify the General Manager of its need for the discussion. The board may have direct access to such employees as the board deems appropriate in order to fulfill its responsibilities.

Approved by the Board of Directors _____
Board President

Adopted: 2/4/2011

Revised: 4/23/2012

7/28/2014

Reviewed: 6/22/2015