

SUBJECT: DIRECTOR ROLES & RESPONSIBILITIES

I. OBJECTIVE:

To clarify and/or elaborate upon the powers and duties set forth in the Articles of Incorporation and Bylaws for the Board of Directors of Crawford Electric Cooperative Inc. To provide guidance in a more detailed form on the legal and fiduciary duties of the Board. To clarify the Board's role in ensuring governance transparency and corporate accountability to the membership of the Cooperative.

II. POLICY CONTENT:

A. Maintaining Corporate Existence.

1. Recognizing that Crawford Electric Cooperative is incorporated under the laws of the state of Missouri, the Board of Directors shall ensure compliance with all legal requirements as set forth in the Articles of Incorporation, the Bylaws, and other state, federal, and lending agency regulations.
2. Holds and protects the assets of the Cooperative through appropriate risk management policies and coverages.
3. Selects and employs a competent CEO/General Manager and ensures that a performance appraisal is carried out annually.
4. Selects, or approves the selection of, consultants and outside contractors such as attorneys, engineers, and auditors. Such selections will be reviewed annually in regard to their performance and fee schedules.
5. Protects the fiscal soundness of the Cooperative. Reviews and approves the current financial reports of the Cooperative each month at the regular monthly Board of Directors Meeting.
6. The Officers of the Board of Directors are authorized and empowered to execute and deliver, as deemed necessary, any legal contracts such as loan agreements, engineering service agreements and contracts, and labor contracts.
7. Holds regular monthly and special meetings as required and ensures that accurate minutes of Board and Membership meetings are prepared and maintained.
8. Complies with the Board policies and Cooperative Bylaws. Studies and considers revisions and other Bylaw changes as necessary or required. Adopts revisions upon the voting approval of the Membership.
9. Ensures the goodwill of the membership through adherence to a policy of good-governance transparency and compliance with all applicable public-disclosure practices.

B. Planning.

1. Determines the viewpoints, objectives, major goals, and end results desired for the growth and welfare of the Cooperative.
2. Examines and approves the annual operating budget and work plan. Reviews and approves programs, services and activities as planned and recommended by the CEO/General Manager.

3. Reviews and authorizes programs for energy conservation, marketing programs, member education, and efficient use of electrical service.
 4. Sets up personnel policies and standards, upon the advice of the CEO/General Manager and the human resources committee, which are essential in providing satisfaction, promoting high morale, and motivation to Cooperative employees.
 5. Provides policies and authorizes programs for community economic development and for maintaining good member, public and employee relations.
- C. Providing for Financing and Authority.
1. Authorizes the borrowing of monies and the purchase of facilities and equipment necessary to maintain efficient operation of the Cooperative.
 2. The full Board of Directors shall review and approve, each month at the regular monthly Board of Directors meeting, the current financial reportings of the Cooperative.
 3. Approves financial institutions for the deposit of Cooperative funds. Approves persons authorized to sign checks, drafts, notes, contracts, deeds, mortgages, and other documents on behalf of the Cooperative.
 4. Delegates to the CEO/General Manager the following responsibilities and authority, subject to established policies:
 - a. To select, employ, organize, train, and direct the personnel necessary to carry out the objectives of the Cooperative.
 - b. To direct the effective execution of plans with respect to operations, financing, construction, conservation, purchasing, and public relations.
 - c. To oversee the financial operations of the Cooperative and to assure that all the financial obligations are handled properly.
 - d. To conform with all regulatory laws pertaining to Cooperative matters.
 - e. To negotiate legal contracts as required to be submitted to the Board for approval.
 - f. To purchases materials, supplies, equipment, tools, etc. as needed for the operation of the Cooperative.
 5. Advises the CEO/General Manager in regard to specific managerial decisions which are his/her delegated responsibility and for which results he/she is accountable. The Board shall share with the CEO/General Manager in the responsibility for the end results should it direct him/her to make a specific managerial decision.
- D. Controlling.
1. Reviews periodic reports from the CEO/General Manager and checks for conformity to the viewpoints, objectives, major goals and desired end results. These reports should be of sufficient scope to enable the Board to:
 - a. Prevent unauthorized action.
 - b. Determine how operations in key performance areas are progressing.
 - c. Predict trends and forecast results on the basis of trends.

- d. Determine where changes or remedies are needed to prevent serious deviations.
 - e. Measure performance against budget.
 - f. Measure performance against plans.
2. Reviews the annual financial audit and ensures that necessary action as determined by the Board is taken.
 3. Ensures effective governance by undertaking a review of Board performance on an annual basis, and by reviewing organizational and governing instruments, such as Board policies, at least every five years.
- E. Duties and Responsibilities.
1. Cooperative Officers shall adhere to the duties as stated in Article VI of the Amended Bylaws of the Cooperative.
 2. Individual Board members shall participate in all Board meetings and in such outside activities as are deemed advantageous toward enhancing the prestige of the Cooperative; broadening the scope of the Cooperative operations; fulfilling the public obligations of the Cooperative as a member of industry and the community; and all other duties as assigned by the Board.

III. RESPONSIBILITY:

- A. The Board may delegate any or all of these responsibilities to a committee of the Board or to the CEO/General Manager as long as such action is not inconsistent with the corporate Bylaws or other legal requirements.
- B. It shall be the responsibility of the President to see that the foregoing functions are effectively carried out.

I, Janice Dorson, Secretary of Crawford Electric Cooperative, Inc., certify that the foregoing statement of policy was presented to and approved by the Board of Directors of said Cooperative at its meeting held November 4, 2021.


Secretary

Approved by Board June 26, 2008
Reviewed: March 3, 2016
Reviewed: November 4, 2021