

Board of Trustees Policy

Subject: Board of Trustees-General Manager / Chief Executive Officer Relationship			Policy No: 104
Original Issue: 01/20/2020	Last Revised: 01/20/2020	Last Reviewed: 01/20/2020	Page 1 of 3

I. OBJECTIVE

To establish the policy governing the basic relationship between the Board of Trustees, who are elected by the members of 4 Rivers Electric Cooperative, Inc. (Cooperative) and the General Manager / Chief Executive Officer (CEO), who is employed by the Board of Trustees.

II. POLICY

- A. The Board of Trustees recognizes that efficient management of the Cooperative can exist only through mutual understanding and cooperation between the Board of Trustees and the CEO. The CEO is expected to produce results and give an account to the Board of Trustees for his/her stewardship.
- B. The Board of Trustees reserves its authority to establish policy, approve plans and programs and delegate authority to its CEO, except those that are by law, the Articles of Incorporation and Bylaws of the Cooperative conferred upon or reserved to its members.
- C. All policies of the Board of Trustees shall be promulgated at regular and special meetings of the Board of Trustees.
- D. The CEO shall be given complete authority for managing the operations of the Cooperative in accordance with the objectives and policies set forth by the Board, including the authority to hire capable personnel within the approved wage and salary plan and policy, to train, supervise and replace them if necessary.
- E. The CEO shall be accountable to the Board for providing complete reports regarding strategic areas of operations in a manner that will allow full opportunity for the Board to measure results of management and operations. The CEO may use, at CEO's discretion, individual members of the general staff to present special reports to the Board of Trustees.
- F. In addition to the establishment of policies, the Board shall be responsible for approval of the overall plans involving major operations and construction, and basic requirements such as financial forecasts, budgets, other resources, facilities, investments and the control reports necessary to

Board of Trustees Policy

Subject: Board of Trustees-General Manager / Chief Executive Officer			Policy No: 104
Relationship			
Original Issue: 01/20/2020	Last Revised: 01/20/2020	Last Reviewed: 01/20/2020	Page 2 of 3

measure results. The Board may also direct the CEO to take corrective action to conform to Board objectives, policies and plans.

- G. Trustees shall act collectively, as the Board of Trustees, under an approved order of business. Each Trustee shall recognize that he/she has no authority outside of the Board meeting, except and unless specifically authorized or assigned a project with authority to act or speak for the Board. No Trustee may individually make commitments for either the Board of Trustees or the Cooperative.
- H. The CEO shall take direction from the Board of Trustees as a whole and will not be required to take direction from individual members of the Board.
- I. Trustees of the Board shall not, as individuals, discuss management problems with the employees of the Cooperative. Such matters will be heard by the Board of Trustees at regular or special meetings of the Board.
- J. It shall be distinctly understood that the “flow” of authority for the management of the Cooperative shall pass through the CEO and the CEO shall be the connecting link between the Board of Trustees and the Cooperative’s employees. The Board of Trustees shall require full and complete information from the CEO concerning all matters in connection with the management of the Cooperative as set forth in Board policies.
- K. No employee shall at any time receive or be required to take instructions from any member of the Board of Trustees.
- L. Employees who have a complaint or suggestion which remains unresolved by the CEO may make a written request to the Board of Trustees in accordance with applicable policies and directives. The CEO shall establish adequate employee policies and management directives to provide employees a path to bring complaints and suggestions to the Board for official action. It shall be clearly understood that the Board, as the governing body of the organization, establishes and approves the general policies and should not handle individual personnel matters.

Board of Trustees Policy

Subject: Board of Trustees-General Manager / Chief Executive Officer Relationship			Policy No: 104
Original Issue: 01/20/2020	Last Revised: 01/20/2020	Last Reviewed: 01/20/2020	Page 3 of 3

- M. When an individual Board member receives a complaint from the membership or the public, the Trustee shall refer the complaint to the CEO and may request a full report to the Board of the action taken. The CEO is expected to periodically inform the Board of Trustees regarding evidence of members' satisfaction and the type and number of complaints.
- N. The CEO will provide leadership in the overall Board and management function and to advise and assist the Board with regard to goals, objectives, policies, plans, and programs.
- O. The Board of Trustees recognizes its responsibility for the employment of a CEO, and further the additional responsibility for a systematic appraisal of the CEO's performance in order that growth, development and effective improvements are encouraged.
1. The Board of Trustees will, on an annual basis, appraise and review the CEO's performance against his/her goals for the previous year, reach a consensus on the CEO's performance appraisal, and meet with the CEO to discuss goals for the coming year.
 2. As part of the CEO's annual review, the CEO will provide a report to the Board on goals accomplished in the previous year.
 3. The CEO's terms of employment, including salary and bonuses shall be set forth in a separate employment contract. The Board will consider the NRECA salary survey and overall performance in setting the wage.

III. RESPONSIBILITY

- A. The President of the Board of Trustees shall be responsible for the administration of this policy.

01/20/2020

Date

/s/ A. Eugene Huston

Board of Trustees, Secretary