

KIUC BOARD POLICY NO. 1
AUTHORITY AND RESPONSIBILITY OF THE BOARD OF DIRECTORS

PURPOSE OF POLICY:

This policy describes the authority and responsibility of the KIUC Board as well as the authority and responsibility of individual Directors and officers of the Board.

POLICY CONTENT:

I. General Responsibilities of the Board of Directors

The business and affairs of KIUC shall be governed by its Board of Directors which shall exercise all powers of the Cooperative except those which are by law, by the Articles of Incorporation, or by the Bylaws conferred upon or reserved to the members. Generally, the Board is concerned with the broad courses of action to be followed by the Cooperative, rather than the means used to carry out the courses of action, which means are normally delegated to the CEO.

The general responsibility of each Director is to exercise their business judgment to act in what they reasonably believe to be the best interests of KIUC and its members.

II. Key Responsibilities of the Board of Directors

The key responsibilities of the Board include:

A. Selecting certain key employees and contractors

1. Selecting, evaluating, and compensating the CEO.
2. Selecting the General Counsel.
3. Selecting the external auditing firm for KIUC.

B. Approving major plans and expenditures

1. Approving annual operating budgets.
2. Approving capital expenditure budgets.
3. Approving changes in rates charged to members.
4. Approving retirements of patronage capital.
5. Approving KIUC's Strategic Plan.
6. Approving Board policies.

C. Overseeing management's performance

1. Monitoring and reviewing KIUC's performance in meeting strategic, financial, and operational goals and targets.
2. Providing insight, advice, and support to the CEO on key decisions.

III. Meeting Attendance, Preparation and Participation

Directors are expected to prepare for, attend, and contribute meaningfully to all meetings of the Board and Board committees of which they are a member.

IV. Board Officers

Each year at the Annual Board Meeting, the Board shall elect the following officers. The duties of these officers shall include, but are not limited to, the duties described below.

- A. Board Chair.** The Board Chair shall preside at all Board and member meetings and may sign on KIUC's behalf any document properly authorized by the Board or members. The Board Chair shall approve the expenses of the Treasurer.
- B. Vice Chair.** The Vice Chair shall perform the duties of the Board Chair in his/her absence.
- C. Secretary.** The regular duties of the Secretary are to oversee the minutes of Board meetings and the minutes of member meetings and to authenticate KIUC's records as needed.

In the absence of both the Board Chair and the Vice Chair, the Secretary shall serve as the chair of the Board.

- D. Treasurer.** The Treasurer shall approve the expenses of all other Directors, the CEO, and the General Counsel. In the absence of the Board Chair, the Vice Chair, and the Secretary, the Treasurer shall serve as the chair of the Board.
- E. Assistant Secretary.** The Assistant Secretary shall perform the regular duties of the Secretary in his/her absence. In the absence of the Board Chair, the Vice Chair, the Secretary, and the Treasurer, the Assistant Secretary shall perform the duties of the Board Chair. The Board may choose to elect a First Assistant Secretary and a Second Assistant Secretary, in which case the First Assistant Secretary shall serve in the absence of the Secretary and the Second Assistant Secretary shall serve in the absence of both the Secretary and the First Assistant Secretary.
- F. Assistant Treasurer.** The Assistant Treasurer shall perform the duties of the Treasurer in his/her absence. The Board may choose to elect a First Assistant Treasurer and a Second Assistant Treasurer, in which case the First Assistant Treasurer shall serve in the absence of the Treasurer and the Second Assistant Treasurer shall serve in the absence of both the Treasurer and the First Assistant Treasurer.

Adopted on this 30th day of May 2024.

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Calvin Murashige
Calvin Murashige (May 30, 2024 15:06 HST)

Calvin Murashige
Secretary

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