

Board of Directors Policy

Subject: Committees of the Board of Directors			Policy No: 110
Original Issue: 9/17/86	Last Revised: 7/17/19	Last Reviewed: 7/17/19	Page 1 of 4

I. OBJECTIVE

To provide for the establishment of committees of the Board of Directors of La Plata Electric Association, Inc. (Cooperative) and to ensure that their functions are clearly defined and periodically reviewed.

II. POLICY

- A. The Board of Directors may establish or abolish such standing or special committees as it deems desirable.
- B. Each committee shall have such powers and duties as may be delegated to it by the Board of Directors. Functions of the committee shall be defined in this policy or a written Statement of Functions that shall be reviewed periodically by the Board of Directors to determine if revisions are needed or if the committee is still required.
- C. Unless otherwise provided in this policy, the President of the Board, in consultation with other Board members, shall appoint the members of committees, taking into consideration the preference of the Directors and their expertise.
- D. At least one member of the Executive Committee shall serve as a member of each Board committee.
- E. The chair of such committees shall be a Board member, appointed by the President of the Board, unless otherwise stated in this Policy.
- F. Board committees shall meet as required. Either the President, or the committee chair, may convene a committee meeting. Dates of all committee meetings shall be coordinated with the Chief Executive Officer (CEO) or his/her designees, to avoid conflict and to assure completion of any required staff study or support.
- G. The CEO, or his/her designees, may attend each committee meeting to provide staff advice and assistance.
- H. All Board members will be notified of each committee meeting. Non-committee members may attend but will not be paid for attendance, unless their attendance is specifically requested by the President of the Board.

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- I. Except for the Executive Committee, notices of committee meetings and their agendas shall be posted in accordance with C.R.S., Section 40-9.5-111, and the same may be amended.
- J. A committee may go into executive session pursuant to C.R.S. Section 40-9.5-108, as amended. The chairman of the committee will use his/her best judgement in determining when, and if, an executive session will be called. Any official action taken by the committee will be done in open meeting.
- K. The standing committees shall be the Executive Committee, Finance and Audit Committee, Policy Review Committee, and Committee of the Whole.

STANDING COMMITTEES

- L. The make-up and Statement of Functions for the Executive Committee shall be:
 - 1. Made up of the President, Vice President, Secretary, and Treasurer of the Board of Directors.
 - 2. To serve as a committee which can be called together to address an urgent issue, facing the Cooperative, that is perceived to need advice or action on short notice.
 - 3. Called to meet by the President of the Board or by the CEO should they deem a situation warrants such a meeting. The Board of Directors shall be notified of the date and time of all meetings as soon as practicable after the meeting is scheduled.
 - 4. The President or CEO shall immediately report any actions or decisions made by the Executive Committee to the Board of Directors, and ensure that said action is placed on the agenda at the next regular meeting. The Board of Directors shall consider ratification of any such actions.
- M. The make-up and Statement of Functions for the Finance and Audit Committee shall be:
 - 1. Made up of up to four Directors, including the Treasurer as Chairperson, the Chief Executive Officer, and the Chief Financial Officer, each of whom shall have a vote on committee matters.
 - 2. Meet at least quarterly.

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3. Responsible for: (a) reviewing the monthly and quarterly financial statements made available to the Board of Directors; (b) participating in the budgeting process to ensure that it follows the Cooperative's strategic plan; (c) reviewing the annual budget prior to its presentation to the Board of Directors; (d) reviewing detailed reports of the auditors including, but not limited to, internal controls letter, management representations, and work papers of the auditors; (e) reviewing the financial performance of the Cooperative, as prepared by Cooperative staff; and (f) making recommendations to the Board of Directors for approval of financial policies, audits, or other items that are financially related to the Cooperative.
- N. The make-up and Statement of Functions for the Committee on Policies shall be:
1. Be made up of up to four Directors, which shall be appointed by the President and two Cooperative staff members, which shall be appointed by the CEO, all of whom shall have a vote on committee matters.
 2. Meet at the discretion of the committee Chair.
 3. Responsible for: (a) reviewing all policies of the Cooperative at the Board's or staff's recommendation, but not less than every three years; (b) receiving input from Cooperative staff regarding suggested policy changes and concerns; and (c) recommending draft policy changes and new policies for consideration by the Board of Directors.
- O. The make-up and Statement of Functions for the Committee of the Whole shall:
1. Be made up of all the members of the Board of Directors.
 2. Receive and review reports and information in a work session setting outside of normal or special meetings of the Board of Directors as designated by the Board of Directors or the President of the Board.
 3. Meet and review matters as needed for ultimate action by the Board of Directors.
- P. Except for the Executive Committee, no formal action, binding upon the Cooperative shall be undertaken by the Board at committee meetings.

LA PLATA ELECTRIC ASSOCIATION, INC.
DURANGO, COLORADO

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III. RESPONSIBILITY

- A. The President of the Board of Directors is responsible for the administration of this policy.

7/17/19

Date



Secretary