

SOUTHEASTERN INDIANA REMC

Characteristics and Requirements of an Effective Cooperative Director

Must meet all requirements stipulated by the Bylaws:

- Be a member in good standing of Southeastern Indiana REMC.
- Be a bona fide resident of the director district, for a minimum of 12 months, for which they are seeking election.
- Maintain a primary residential abode located for tax purposes within the district, which the Director shall represent.
- Receive electrical service from the Cooperative at their primary residential abode.
- Not be employed by or financially interested in a competing enterprise or a business selling electric energy or supplies to the Cooperative.
- Not related to any current Director or employee of the Cooperative.

Should possess the following basic beliefs and viewpoints:

- Believe in basic Cooperative principles and way of doing business including the right of people to provide an essential service for themselves, member ownership and control, one member-one vote, and nonprofit operation.
- Believe that the Cooperative should continually strive to make reasonably priced power available to its members and to achieve this, has the right to join with other cooperatives as a member in a generation and transmission cooperative.

Possess the following personal characteristics as demonstrated by his/her actions:

- Be a proven leader in his or her community with broad interests.
- Be of highest integrity and have the respect of residents in the community in which he or she lives.
- Be able to exercise sound judgment and logical reasoning.

Should be able to make a meaningful contribution to carrying out the functions of a Director.

Conduct fiduciary responsibilities of the Board of Directors including:

- Hire a manager and allow the co-op management team to manage.
- Approve a budget and select an audit firm to conduct an annual audit
- Approve loans and other contractual agreements.
- Approve rates and associated power cost trackers.
- Approve patronage distributions to members
- Establish policies and initiatives.
- Participate in strategic planning initiatives for the cooperative.
- Be willing and able to give the time to prepare for and attend meetings (8 to 10 hours per week – recordkeeping is required to complete IRS Form 990) of the Board or committees of the Board, meetings of allied organizations, and director training programs including, but not limited to:
- Regular meetings called by the Board of Directors (With a few exceptions, Monthly Board meetings are currently held the third Monday of the month starting at 7:00 p.m. Meetings typically end by 10:00 p.m.)

- Allied organizations meetings - optional (3 or more days per year)
- Director training programs - optional (may total 10 or more days)
- Certified credential director and board leadership programs are available and completion is strongly recommended.
- Make significant contributions to Board meetings by raising pertinent and discerning questions and by contributing innovative ideas and suggestions.
- Study data and other information presented to the Board to keep fully informed.
- Support the decisions and actions of the Board once arrived at by action of the majority of the Board.
- Represent the total membership on an impartial basis, not just those in his/her district.
- Make every effort to obtain increasing member and public understanding and support of the Cooperative and the electric cooperative program.
- Become skilled in raising questions about the end results being achieved and in interpreting operating and financial reports.
- Provide leadership to meet the changing needs of the membership and contribute to the development of the Cooperative's service area.
- Be an independent thinker, but maintain a cooperative spirit.
- Capable of acquiring the knowledge necessary to cope with the issues of an electric utility, including finances, management, and public issues.
- Willing to listen, learn and ask probing questions.
- Possess the character and demeanor that will reflect favorably on behalf of the Cooperative.
- Be of sufficient stature to command the respect of management, employees, fellow Board members and the public.
- Willing to initiate, accept and direct change.
- Willing to commit adequate time to the work of the Board and to properly discharge the duties of the Board.
- Able to subordinate personal and other business interests to the needs of the Cooperative when making a decision. Abstain from voting on anything where you have a personal financial or other closely tied interest.
- Able to set policy and approve programs that benefit the Cooperative as a whole.
- Willing to accept the unpleasant moments of a Director's experience.

Other Information:

- Compensation as a director on the Board is provided per Board Policy.
- Directors are expected to have access to the Internet and email from their home. Monthly Internet fees are considered to be covered in the monthly per diem.
- Directors are required to maintain or update software applications that allow them to access files used for their role as a director.
- The cooperative will provide group or individual training on software applications as requested.
- The cooperative can provide an email address that is to be used for cooperative-related business only.

For additional information or questions contact: Co-op General Manager, Board President or Nominating Committee Chairperson