

RELATIONSHIP BETWEEN THE BOARD OF DIRECTORS AND
THE PRESIDENT & CHIEF EXECUTIVE OFFICER

I. OBJECTIVE

To establish a policy governing the basic relationship between the GVEA Board of Directors and the President & CEO, including the delegation of authority.

II. POLICY

The board recognizes, establishes and will adhere to the following guidelines in its relationship with the President & CEO:

- A. It is recognized that good management is a very important factor in the success of GVEA. Good management requires a strong and effective board, President & CEO and dedicated, capable employees. In exercising its responsibilities, the board reserves the authority to exercise all powers except those that are by law, the Articles of Incorporation or the Bylaws conferred upon or reserved to the members.
- B. The board recognizes its responsibility to establish policies, approve plans and programs, appraise results achieved, and delegate authority to the President & CEO to execute and carry out board approved plans, programs and policies. In addition to management responsibilities, the President & CEO will be responsible for the hiring of capable personnel and determining compensation within the approved wage and salary plan and policy.
- C. All GVEA policies (and amendments) will be adopted by the board at regular or special meetings.
- D. No individual director has the authority to make or attempt to make any commitment(s) on behalf of GVEA or the board, unless specifically authorized to do so by the board. Any attempt by a director to make a commitment for GVEA or the board, without specific authority, will be deemed a breach of fiduciary obligation subject to reprimand by the full board, and depending on the gravity of the violation, potentially a board recommendation to the membership that the director be removed from office.
- E. The Board Chair, or in the Chair's absence, the Vice Chair, will be the spokesperson for the board, except in those instances where another director is specifically designated by the board to be the spokesperson.

- F. The board policy is that individual directors shall not discuss management and/or personnel matters with GVEA employees. The board may confer with key personnel, or their designees, at regular or special board meetings. Any board request for information from GVEA employees outside of a regular or special board meeting shall be initiated through the Executive office.
- G. Except as otherwise stated in this policy, the authority for the operational management of GVEA is delegated by the board to the President & CEO. It shall be the responsibility of the President & CEO to ensure that the board is regularly provided sufficient information so that the board is well informed regarding the management of GVEA.
- H. The board recognizes that efficient and effective management requires mutual understanding and cooperation between the board and the President & CEO. The board also recognizes that in order for the President & CEO to be an effective steward and to produce results beneficial to GVEA and its members, the President & CEO must be granted latitude to exercise independent judgment in the performance of their duties, consistent with GVEA's policies and procedures and the authority granted by the board.
- I. The board is responsible for hiring the President & CEO, conducting an annual performance and compensation appraisal during a special board meeting, and for providing the President & CEO professional development opportunities.

III. RESPONSIBILITY

- A. The Chair of the Board is responsible for ensuring board compliance with this policy.
- B. The President & CEO is responsible for performing their duties consistent with the authority granted by the board and in compliance with GVEA policies.

ADOPTED: April 15, 1987
AMENDED: September 28, 2021