

AUTHORITY AND FUNCTIONS OF DIRECTORS

I. OBJECTIVE

To describe the authority and major functions of the board.

II. POLICY

- A. **The business and affairs of GVEA will be managed by a board of seven (7) directors which will exercise all of the powers of GVEA, except such as are by law, the Articles of Incorporation or these Bylaws, conferred upon or reserved to the members.**
- B. **The board will appoint a President & Chief Executive Officer who may be, but who will not be required to be, a member of GVEA. No member of the board may serve as President & CEO until one (1) year after discontinuing service as a director. The President & CEO will perform such duties and will exercise such authority as the board may, from time to time, vest in the President & CEO.**
- C. Except as otherwise provided by the Bylaws, the board may authorize any officer(s) or agent(s) to enter into any contract or execute and deliver any instrument in the name and on behalf of GVEA, and authority may be general or confined to specific instances.
- D. The board will have the power to make and adopt such rules, regulations and policies, not inconsistent with law, the Articles of Incorporation or the Bylaws, as it may deem advisable for the governance of the business and affairs of GVEA.
- E. Following actions by the board, the board will act and speak as one: being a united voice for GVEA. The Board Chair, or in the Chair's absence, the Vice Chair, will be the spokesperson for the board, except in those cases previously authorized by the board or as designated by the Chair. Board members must act with unconflicted loyalty to the interests of GVEA. This accountability supersedes any conflicting loyalty to any other organization. The interests of GVEA shall supersede the personal interests of any board member.

III. FUNCTIONS

- A. Maintain GVEA's legal status as a cooperative under AS 10.25.
- B. Ensure that GVEA complies with all applicable legal requirements, including, but not limited to:
 - 1. All federal, state and local statutes and ordinances.

2. The rules, regulations and legal requirements imposed by the Rural Utilities Service and other GVEA lending institutions.
 3. The rules, regulations and legal requirements imposed by federal, state and local tax and regulatory agencies and commissions having jurisdiction over GVEA.
- C. Select, appoint and review annually, as the board may deem appropriate, general counsel on behalf of the board.
 - D. Consider, review and approve amendments to the Bylaws and Articles of Incorporation for recommendation to the membership.
 - E. Review and approve Cost of Service Studies and Rate Designs.
 - F. Review and approve loan agreements, wholesale power agreements, power purchase agreements, labor contracts, and unbudgeted contracts in excess of \$500,000 and budgeted contracts in excess of \$5,000,000.
 - G. Review power requirement studies and similar information as necessary to make power generation decisions that will ensure sufficient and reliable electricity for GVEA's current and projected members.
 - H. Ensure that complete and accurate minutes of all board meetings, the annual membership meetings and other member meetings are prepared, approved and maintained.
 - I. Act as trustee of the members' interests with respect to:
 1. Conducting well-planned membership meetings, which promotes GVEA's objectives, goals, policies, plans and programs and which provides opportunities for soliciting member ideas and comments.
 2. Being well-informed about member expectations and how GVEA might assist in meeting those expectations.
 3. Ensuring that the members are informed of the results of GVEA operations through periodic publications, annual reports, membership meetings and other communications, including the use of email and social media.
 4. Complying with the Articles of Incorporation, Bylaws and board policies.
 5. Remaining informed and aware of the ideals and objectives of GVEA in order to understand and contribute to the development of policies and plans, and to address issues and concerns.

6. Arranging for an annual appraisal of board performance, utilizing an outside consultant at least every five years and provide training opportunities for board members to keep the board current in its abilities and understanding.
7. Assisting new directors to develop a greater understanding of GVEA and their responsibilities and authority. An orientation will be arranged for new directors.
8. Ensuring that a continuous program of member, public and governmental relations is carried out to promote an understanding of GVEA and support for GVEA's mission.
9. Ensuring that board members are fully informed of their collective responsibilities for:
 - a. Selecting, hiring, evaluating and terminating the President & Chief Executive Officer.
 - b. Providing stewardship of the planning process through active participation in strategic planning and budgets.
 - c. Monitoring and evaluating organizational performance.
 - d. Identifying principal risks to GVEA and ensuring effective systems are in place to manage risks.
 - e. Ensuring there is an orderly transition of the board and executive management.
 - f. Developing and reviewing policies to guide the cooperative and its management.
 - g. Reviewing the adequacy and integrity of internal control and management information systems.
 - h. Establishing policies, processes and procedures for the structure, operation and evaluation of the board.
10. To act as trustee for the best interest of GVEA's members with respect to voting at any subsidiary corporation shareholder/member meeting(s) or other organization(s) to which a board director serves as a representative of GVEA.

IV. RESPONSIBILITY

- A. The board may delegate any or all of these responsibilities to an officer or committee of the board or the President & CEO, so long as such action is consistent with the Bylaws and other legal requirements.

- B. It will be the responsibility of the Board Chair to ensure that the foregoing functions are carried out.

ADOPTED: April 15, 1987
AMENDED: April 26, 2022