

Director Candidate Information Sheet for Central Electric Cooperative, Inc.

Qualifications and election information for a Director of Central Electric Cooperative, Inc. are documented in the cooperative bylaws:

Director Qualifications

1. Be a natural person receiving electric service from the cooperative or meet the qualifications for corporate representation.
2. Must have the capacity to enter legally binding contracts.
3. While a Director, and during the five (5) years immediately prior to becoming a Director, not be, nor have been, convicted of a felony; or plead, nor have pled, guilty to a felony (to include a nolo contendere plea); (Will be subject to a background check when elected)
4. Within six (6) years of becoming a Director, and unless excused by the Board for good cause, receive a Director Certificate or similar certification from the National Rural Electric Cooperative Association;
5. Unless excused for good cause by the Board Members, attend at least ten (10) out of twelve (12) of the regularly scheduled monthly board meetings during any calendar year;
6. Comply with any other reasonable qualifications determined by the Board.

While a Director, a Director or Director Candidate must:

1. Be a member in good standing, and except for the Director at Large, permanently reside in the Director District from which elected; and
2. Have the Director's primary residence served by the Cooperative or: provided that the operating or chief executive of any Member which is not a natural person, or designee, shall, notwithstanding that such member does not receive service from the Cooperative at such Member's primary residence, be eligible to become a Director, from the Director District in which such Member is located, if such Member or its designee is in substantial permanent occupancy, direction of use of the premises served by the cooperative; and is a permanent and year round resident within or in close proximity to an area served by the Cooperative, but provided further that no more than one (1) such person may serve on the Board of Directors at the same time; but provided further that no more than one (1) such person from any one (1) non-individual Member may serve on the Board of Directors at the same time.

While a Director, a Director or Director candidate must not be:

1. A close relative of any existing Director, other than an existing Director who will cease being a Director within one (1) year;
2. An existing, or a close relative of an existing, non-Director Cooperative officer, employee, agent, or representative;
3. Employed by, materially affiliated with, or share a material financial interest with any other Director; or
4. Engaged in, nor employed by, materially affiliated with, or have material financial interest in, any individual or entity: (a) Directly and substantially competing with the cooperative; (b) or selling goods or services in substantial quantity to the Cooperative or to a substantial number of members.

Other Information

Director Duties: Serving as a director is both a joy and significant responsibility. Directors are expected to 1) approve general policies, annual budgets and work plans, capital credit retirements, and rate schedules; 2) hire the General Manager, audit firm, and legal counsel; 3) establish member meeting dates and refer bylaw amendments to the membership; and 4) monitor the co-op's operations through the general manager's performance. Directors make decisions in collaboration with eight fellow directors as a board. Each director should be willing to engage in electric utility industry policy discussions at meetings and in your neighborhood.

Time Requirements: The candidate must be willing to commit at least 25 working days per year for board meetings and affiliated cooperative organization meetings and director trainings. The board of directors meets for regular board meetings on the 3rd Monday of each month and each typically last 5-6 hours. Several hours is also required for meeting preparation.

Training: New directors are expected to receive a Director Certificate or similar certification from the National Rural Electric Cooperative Association. Subsequent training is encouraged in future years to stay up-to-date on current industry issues and information. All program fees are paid by the cooperative as well as travel, lodging and related expenses. Director training or conferences may last 1-5 consecutive days and require overnight travel.

Communication & Technology: Each Director is given an iPad provided by the co-op in order to receive and review materials necessary for board meetings and other director duties. Directors are also expected to have access to email and phone for communications with cooperative.

Fiduciary Responsibility and Confidentiality: Each board member has a fiduciary responsibility that their actions are in the best interest of the cooperative and its membership as a whole, and not directly for personal gain or exemption. In addition, all information provided to the Directors within or outside the Board room must be treated as confidential unless decided by the Board that the directors are a part of the communication process.

Reporting Requirements: Each Director is required to provide the co-op a time sheet on a monthly basis accounting for the time spent on cooperative business. These reports are summarized and reported to the IRS on Form 990 to support and document the amount of time spent on cooperative business. This is required from all non-profit and cooperative organizations nation-wide.

Compensation: The board of directors designate a significant amount of time to educate themselves and oversee a multi-million-dollar cooperative in a highly complex industry, which at times requires they take time off from current employment or other responsibilities. Board members are compensated for their time devoted to Central Electric Cooperative. Each director is paid a monthly stipend and per diem for attending board meetings, trainings and conferences. Director expenses and compensation are reviewed each quarter. Directors are provided an IRS form 1099 annually for tax reporting purposes. Contact the General Manager for additional information on director compensation.