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## **FALL RIVER RURAL ELECTRIC COOPERATIVE, INC.**

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### **GENERAL POLICY No. 508**

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#### **SUBJECT: BOARD OF DIRECTOR MEETINGS, ATTENDANCE BY COOPERATIVE MEMBERS, AND INSPECTIONS OF BOOKS AND RECORDS**

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##### **I. PURPOSE:**

To provide for the conduct of all meetings of the Board of Directors; address how the Board ensures it is holding open and transparent meetings with Members, scheduling and calling Meetings, outlines the duties for meeting notices, communication, and record keeping; and provides the guidelines by which members can review pertinent books and records of the Cooperative in a manner which will not cause disruption nor hinder the routine operation of the organization.

##### **II. POLICY:**

It shall be the policy of the Board of Directors to make available to any member in good standing with the Cooperative as outlined in this policy, the opportunity to attend regular meetings of the Board of Directors, and to inspect the records and books of the Cooperative so that the members may keep informed of the operation of the Cooperative.

##### **III. RESPONSIBILITY:**

The Board President, Board Members, and the General Manager/CEO are responsible for seeing that the provisions of this policy are carried out.

#### IV. DEFINITIONS:

- A. **Board Meeting** - means a deliberation between a quorum of the voting Board of Directors or between a quorum of the voting Board of Directors and another person, during which Cooperative business or policy over which the Board of Directors has responsibility is discussed or considered or during which the Board of Directors takes formal action. Board Meetings are either Regular or Special Meetings. The term "Board Meeting" includes attendance at a Committee Meeting by a quorum of the Board. The terms "Board Meeting" and "Committee Meeting" do not include the gathering of a quorum of the Board of Directors or a Committee at a social function, or the attendance by such a quorum at a regional, state, or national convention or workshop, ceremonial event, or press conference, if formal action is not taken and any discussion of Fall River business is incidental to the social function, convention, workshop, ceremonial event, or press conference. Notwithstanding the foregoing, a Member Meeting as defined in the Bylaws shall not be considered a Board Meeting or Committee Meeting. A Board Member's participation via telephonic, webinar, or other methods for attendance at a Meeting shall count towards a quorum.
- B. **Committee Meeting** - means a deliberation between a quorum of a Committee or between a quorum of the Committee and another person during which Cooperative business or policy over which the Committee has subject-matter jurisdiction is discussed or considered, or during which the Committee takes a formal vote. A quorum of a Committee shall be a majority of the Committee.
- C. **Executive Session** - means a noticed Meeting announced and designated according to this Policy and in which Members may not attend.
- D. **Meeting** - means a Board Meeting whether Regular, Special, or Committee Meeting.

- E. **Open Meeting** - means a noticed Meeting open to attendance by Members of the Cooperative.

V. **Policy Statement and Implementation:**

A. Open Meetings Requirement

1. A Member has the right to attend every Meeting of the Board, except for Executive Sessions as allowed by this Policy or by law. All meetings shall be held or called with proper notice, and any final action, decision, or vote on a matter shall be made in an Open Meeting.
2. A Member has the right to speak before the Board of Directors at any Regular, Special or called meeting of the board on any Fall River matter during the member comment period included on the agenda.

B. Schedule and Call of Meetings

1. **Regular Meetings:** The Board of Directors meets in Regular Meetings as provided by the Cooperative's Articles of Incorporation, and the Bylaws. Final action may be taken at any Regular Board meeting pursuant to this Policy.
2. **Special Meetings:** Special Meetings of the Board may be called according to the Fall River's Bylaws. Special Meetings are called by the President, or any three (3) Directors. The Director(s) who initiates the call for the meeting, either the President or the three Directors, shall fix the time, place and agenda for the Special Board Meeting, by providing such instructions in writing to the Board Secretary/Treasurer to cause notice of such meeting to be given. Secretary/Treasurer may direct General Manager/CEO to post the notice and take all necessary actions pursuant to this Policy. Final action may be taken at any Special Board meeting pursuant to this Policy.

3. **Director Participation at Meetings:** Board meetings shall be arranged such that, if technically feasible, participation by Directors may be (1) in person, (2) telephonic, or (3) electronic. In person attendance is desirable, preferred and encouraged.

## **VI. Notice of Meetings**

### **A. Posting**

The Board of Directors shall give written notice of the date, hour, and place of all Board Meetings. The notice of a Board Meeting must be posted in a place readily accessible to the members at all times at the earliest possible convenience, but for at least 72 hours before the scheduled time of the Meeting. The Board of Directors will post the Board Meeting notice on the Cooperative's web site.

Likewise, committees shall give notice of the date, hour and place of Committee Meetings by posting such notice on the Cooperative's website at least 48 hours before the scheduled time of the Meeting. Fall River shall provide a copy of any Meeting notice to a member upon request by the member.

### **B. Recess**

If the Board of Directors or its Committees recess an Open Meeting to the following regular business day, they are not required to post notice of the continued Meeting if the action is taken in good faith and not to circumvent this section.

### **C. Procedure of Meetings**

1. Fall River Board of Directors' Meetings are conducted in accordance the Cooperative's General policy "Director's Duties, Responsibilities, Standards of Conduct and professional Development" and the current edition of Robert's Rules of Order Newly Revised, as practicable and not inconsistent with the Articles

of Incorporation, the Bylaws or State law. Meetings shall utilize the "Procedure for Small Boards" contained within the current edition of Robert's Rules.

2. The Board may also designate a parliamentarian to advise the presiding officer on matters of procedure. The person serving, from time to time, in the capacity as General Counsel for the Cooperative shall serve as parliamentarian at Board Meetings.

#### **D. Open Meeting Records**

1. The Board and its Committees shall prepare and keep minutes and/or make a recording of each Open Meeting of the body. The minutes must state the subject of each deliberation; and indicate each vote, order, decision, or other action taken. The minutes and/or recordings of an Open Meeting shall be available for inspection and copying by members on request to the Board Secretary/Treasurer, or the General Manager/CEO's designee. Upon prior request by any Director, the General Manager/CEO shall provide minutes of any Committee Meeting to that Director.
2. A member in attendance may record all or any part of an Open Meeting by means of a tape recorder, video camera, or other means of audio or visual reproduction. The Board of Directors and its Committees may adopt reasonable rules to maintain order at a Meeting, including rules relating to the location of recording equipment and the manner in which a recording is conducted if applicable. A rule adopted by the Board of Directors may not prevent or unreasonably impair a member from exercising a right granted in this section.

#### **E. Exceptions to Requirement That Meetings Be Open: Executive Sessions**

An Executive Session may be held as allowed by law or the Articles of

Incorporation. In Executive Session, the Board of Directors or its Committees may conduct a private consultation with its attorney, General Manager/CEO, invited staff, consultants, or any other person whose presence the Board of Directors deems necessary. In the event of a dispute regarding participation in any Executive Session of any non-director attendee, a majority vote of the Board of Directors shall determine participation eligibility of attendees. Executive Sessions may be held for the following reasons:

1. **Legal Matters**

The Board of Directors may discuss legal matters or seek the advice of their attorney on legal matters. Legal consultation includes, but is not limited to, advice about anticipated or pending litigation, settlement offers, concerns reported under the Cooperative's Ethics and Compliance Reporting Policy, and interpretations of the law.

2. **Real Estate**

The Board of Directors or its Committees may deliberate the purchase, exchange, lease, or value of real property if deliberation in an Open Meeting could have a detrimental effect on the Cooperative.

3. **Contracts**

The Board of Directors or its Committees may deliberate business and financial issues relating to a contract being negotiated if deliberation in an Open Meeting would have a detrimental effect on the position of the Cooperative.

4. **Personnel**

The Board of Directors or its Committees may deliberate the Cooperative's personnel issues or to hear a complaint or charge against a Director or Cooperative employee or consultant.

However, this subsection does not apply if the Director or employee who is the subject of the deliberation or hearing requests a public hearing.

**5. Competitive Matters**

The Board of Directors or its Committees may deliberate “Competitive Matters,” meaning commercial information and utility-related matters that the Board, in good faith, determines are related to the Cooperative’s competitive activity that would, if disclosed, give an advantage to individuals or entities who have sought or are likely to seek business or the dissolution, takeover or sale of Fall River (“Competitors”) or would adversely affect Fall River’s ability to competitively purchase goods and services.

**6. Security**

The Board of Directors or its Committees may conduct an Executive Session to discuss security issues relating to security of the electrical system including, but not limited to, security personnel, security devices, security audits, and cyber security.

**VII. Notice of Executive Session**

- A. Before an Executive Session is held, the Board of Directors or its Committees will first convene in an Open Meeting for which notice has been given as provided by this Section and the Open Meeting agenda will include an item/items to be discussed in executive session.
- B. A final action, decision, or vote on a matter deliberated in an Executive Session may only be made in an Open Meeting.

**VIII. Records of Executive Session**

- A. No attendee of Executive Session shall be allowed to make any audio, pictorial, or video recording of any portion of an executive session.

- B. No Director shall be allowed to duplicate, transmit, or distribute any Executive Session materials.
- C. The Board Secretary or the General Manager/CEO will be the Custodian of any materials distributed during Executive Session and shall be responsible for collecting the materials at the end of the session. The Secretary, or General Manager/CEO, shall ensure that duplicate copies are destroyed and original documents are maintained in accordance with the Cooperative's Record Management Policy.
- D. Upon request, and with advanced scheduling coordinated through the General Manager/CEO and with notification provided to all Directors, any Director may inspect onsite at the Cooperative's Headquarters, original documents or electronic records from Executive Session archives but in no case shall a Director be allowed to photograph, video, duplicate, transmit, record, distribute, or otherwise image or reproduce any Executive Session materials.
- E. In the event that Executive Session materials are provided in advance of Executive Session meetings electronically or via hardcopy, such documentation shall be noted as "confidential" and may not be duplicated, recorded, transmitted, emailed, or otherwise distributed.
- F. Nothing in this policy shall limit the ability of the Board by majority vote to release documents or materials, in part or in whole, previously determined to be confidential.

**IX. INSPECTION OF COOPERATIVE BOOKS AND RECORDS:**

Idaho Code 30-319 (Non-Profit Corporation Act) provides that "All books and records of a corporation may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time."

Idaho Code 30-1-52 (Business Corporation Act) provides that "Any person who shall have been a holder of record of shares . . . at least six months immediately



preceding his demand . . . upon written demand stating the purpose thereof, shall have the right to examine, in person, or by agent or attorney, at any reasonable time or times, for any proper purpose its relevant books and records...”

Idaho Code 30-303 (Non-Profit Corporation Act). The Cooperative shall apply the following procedures to comply with these provisions of the law:

- A. Requests by members, their agents or attorneys are to be made in writing, stating the information requested and the purpose for the request on forms supplied at the Cooperative headquarters in Ashton, Idaho.
- B. The president, or at his designation another Board Member or the General Manager/CEO, shall initially determine whether the request is for a proper purpose as provided for by relevant law. Should the initial decision be to deny the request, the request may be brought by the applicant to the full Board of Directors for its decision. Determinations by the Board of Directors shall be considered as final actions on such matters by the Cooperative.

Inspections shall be conducted during regular business hours of the Cooperative. Only those books and records, or excerpts there from, determined to be for a proper purpose as determined by the law may be inspected by a member, or his agent or attorney. A Cooperative employee or representative shall be present during such inspection and the member requesting the inspection shall be responsible for the actual expense of the employee to be present during the same. If copies are requested, the Cooperative shall make the copies and shall charge the member the usual fee for such service. The member will be informed as to the hourly rates, etc., the Cooperative will charge for the services requested and member will make payment at the time service is rendered. Any cost, expense, or time spent by the Cooperative for the research of the Cooperative records for a member, will be charged to the member at

the actual cost to the Cooperative.

**X. PRIMACY OF POLICY:**

This policy supersedes any existing policy or policies that may be in conflict with the provisions of this policy. This policy does not represent a contract between the employer and employee, and the employer herein may change the policies alone and without notice.

APPROVED BY THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read "Doug Schmier", is written over a horizontal line.

Douglas Schmier, President

DATE APPROVED: June 20, 2002

DATE REVISED: October 23, 2017