



POLICY

SUBJECT: Organization and Staffing Committee

POLICY: It shall be the policy of the Board to create and maintain the Organization and Staffing Committee for the purpose of advising the Board with respect to:

- 1) Compensation and evaluation of the CEO/General Manager,
- 2) Overall goals and objectives of the Cooperative,
- 3) Senior management succession planning,
- 4) Employee compensation and benefits, including collective bargaining negotiations.

PROCEDURE:

I. Committee Structure and Procedures:

1. The Committee shall be comprised of three or more directors identified annually at the Board's re-organization meeting. The exact number is to be determined from time to time by resolution of the Board.
2. The Chairman of the Committee shall be designated by a majority vote of the Committee. The Chairman shall report to the Board on the deliberations, actions, and recommendations of the Committee. The Chairman shall be responsible for the orientation of new Committee members regarding organization and staffing matters.
3. The Committee shall be fully independent, accountable, and vigorous in taking primary responsibility for all aspects of Cooperative goals and objectives, executive compensation and review, succession planning, and employee benefits.
4. The Committee shall meet in person, at least twice annually, at such times and places determined by the Chairman of the Committee to discuss these matters.

5. The Committee shall meet in executive session without the presence of any members of management as often as it deems appropriate.
6. The Committee may request that any directors, officers, or employees of the Cooperative, or other persons whose advice and counsel are sought by the Committee, attend any meeting of the Committee to provide such pertinent information as the Committee requests.

II. CEO/General Manager Performance and Compensation:

It is recognized that effective executive leadership is essential to the success of the Cooperative. For this reason, the Committee shall:

1. Periodically review and make recommendations to the Board with respect to executive compensation and executive retirement plans and all other benefits.
2. Annually develop in cooperation with the CEO/General Manager and recommend for Board approval at the beginning of each year a set of performance goals and objectives with respect to the compensation of the CEO/General Manager.
3. Annually oversee a formal performance evaluation of the CEO/General Manager against Board-approved goals and objectives and the following leadership qualities, to provide feedback to the CEO/General Manager, while also identifying future development needs:
 - Leadership
 - Building Team Spirit
 - Managing Vision and Mission
 - Organizational Flexibility
 - Approachability and Accessibility
 - Effective Decision Making
 - Business Acumen
 - Accountability
 - Developing People
 - Integrity and Trust
 - Delivering on Commitments
 - Presentation Skills
 - Maintaining Organizational Values
 - Leading the safety culture
 - Community Involvement

– Member Relations

The following steps are utilized to carry out this evaluation:

- The CEO/General Manager provides a self-evaluation to the Board within seventy-five (75) days of the end of the fiscal year.
 - Directors from the entire Board provide their individual assessments of the CEO/General Manager’s performance against the previously approved goals & objectives and leadership qualities. Directors should identify any future development needs they deem necessary for the CEO/General Manager.
 - The Organization and Staffing Committee reviews this information and recommends annual compensation and benefits of the CEO/General Manager based on the evaluation.
 - The Chair of the Organization and Staffing Committee meets with the CEO/General Manager to discuss the Board’s assessment of performance and development needs for the CEO/General Manager. The CEO/General Manager may then take the opportunity to discuss his/her reaction to the evaluation.
4. Based on the evaluation, the Board sets the compensation and benefits of the CEO/General Manager.

III. Overall Goals and Objectives:

The Cooperative is managed to maximize the benefits of membership to all members, which incorporates fiscal responsibility, ethical business practices, and attention to membership value. For this reason, the Committee shall:

Consult with the CEO/General Manager and advise the Board with respect to goals and objectives that will continue to strengthen the Cooperative’s ability to provide its members with valued service.

IV. Succession Planning:

It is recognized that formally anticipating the future management needs of the Cooperative is necessary to its long-term health and viability. For this reason, the Committee shall:



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1. Consult with the CEO/General Manager and advise the Board with respect to senior management succession planning.
 2. In situations where there is an anticipated or actual vacancy in the position of CEO/General Manager, advise the Board in identifying candidates for Board consideration based prior experience and education, understanding of the Cooperative's business environment, leadership qualities, industry knowledge, expertise, reputation, integrity and other skills and attributes.

IV. Employee Benefits:

It is recognized that retaining a motivated and productive workforce allows the Cooperative to serve its members in the most effective manner. For this reason, The Committee shall:

1. Seek information from reputable sources with respect to the compensation and benefits of employees in similar positions and markets.
2. Consult with the CEO/General Manager and advise the Board with respect the compensation and benefits required to retain and motivate employees to their best effort.

RESPONSIBILITY: Board of Directors

DELAWARE COUNTY ELECTRIC COOPERATIVE, INC.

Approved by Board of Directors Dec 23, 2008
Revised by Board of Directors Sept 27, 2011
Revised by Board of Directors Nov 25, 2014
Revised by Board of Directors Aug 24, 2016