# A. BOARD OF DIRECTORS POLICY MANUAL
# ALASKA RURAL WATER ASSOCIATION
# (Revised November 29, 2007)

THE ALASKA RURAL WATER ASSOCIATION (ARWA) IS ESTABLISHED AS A NONPROFIT CORPORATION UNDER THE LAWS OF THE STATE OF ALASKA. ARWA HAS BEEN DESIGNATED AS A SECTION 501C (6) NONPROFIT CORPORATION BY THE UNITED STATES INTERNAL REVENUE SERVICE.

THE FOLLOWING BOARD GOVERNANCE POLICIES ARE ADOPTED BY THE ARWA BOARD TO CLARIFY ADMINISTRATIVE PROCEDURES AND ESTABLISH GENERAL GUIDELINES BY WHICH THE ASSOCIATION CAN EFFECTIVELY MANAGE ITS INTERNAL AFFAIRS. FOR SPECIFIC GUIDELINES, REFER TO CURRENT ARWA BY-LAWS.

## BOARD

**1. Number and General Powers:** The affairs of the Association shall be governed by a Board of Directors (hereafter called "the Board") which shall number a total of seven Directors as define in Article VII Section 1 of the by-laws.

**2. Associate Director:** Each year the Associate membership shall elect an Associate Director from the Associate Members as provided for in Article VII Section 2.

**3. Term of Office:** Active Member Directors are each elected for a term of three years. Directors shall continue in office until their respective successors are qualified and elected. Directors may succeed themselves in office. The terms are staggered so that approximately one-third of the Directors will be elected each year. The terms of the six Active Member Directors shall be structured so that no more than two of the six Active Member Directors shall be elected at any annual Meeting as defined in the By-laws Article VII Section 1,2,3**.** The term of the Associate Director shall be one year as found in the By-laws as established by Article VII Section1 1&2 . The Directors shall be designated by seat on the Board for purposes of determining the year in which that seat will be up for election. The initial Board elected in 2003, their seats, and their terms until initial re-election and Director positions added in 2004 are listed below.

| Director | Seat | Year Elected | Number of Years of Term | Year Term Expires |
|---|---|---|---|---|
| Bill Harvey | A | 2006 | 3 | **2009** |
| Toby Schield | B | 2006 | 3 | **2009** |
| Ginger | C | 2005 | 3 | **2008** |
| Bill Kranich | D | 2007 | 3 | **2010** |
| Darryl Thompson | E | 2005 | 3 | **2008** |
| Greg Hanson | F | 2007 | 3 | **2010** |
| James Ridgeway | G | 2007 | 1 | **2008** |

**4. Eligibility:** An Active Member Director must be a member of the governing body, an officer, or an employee of an Active Member, in good standing, to be eligible to serve as Director. **Member in good standing is defined as having paid membership dues within 90 days of due date.** An Associate Member Director must be a member of the governing body, an officer, or an employee of an Associate Member, in good standing, to be eligible to serve as Director per association By-laws Article VII Section 1,2&3.

**5. Meetings:** Annual meeting**,** regular meetings of the board, special meetings notice of meetings are set forth in Association By-Laws Article VI Section 1,2,&3.

**6. Quorum:** A majority of the members [**and remove]** <u>of the</u> board shall constitute a quorum for the transaction of business at any meeting per association By-laws Article VI Section 4 and Article VIII Section 3.

**7. Compensation: (By-Laws, Article X Section 1)**
No Director or Officer of the Association shall be entitled to any compensation for or in consideration of the execution of his duties as such Director or Officer; provided, however, that a Director or Officer may be reimbursed for all authorized, reasonable and necessary expenses incurred while performing official Association business or attending official Association functions or activities.

**8. Duties of the Board:**
The duties of the Board are as follows:

A. To conduct and supervise the affairs of the Association including the designation of committees;
B. To take charge of and be responsible for the property of the Association and supervise the keeping of systematic records of the Association's finances and the proceedings of the Association;
C. To initiate, supervise and approve plans and programs designed to achieve the objectives and purposes of the Association;
D. To implement policies, programs, or plans adopted at the annual meeting of the members;
E. To determine policies of the Association consistent with the objectives and purposes of the Association as set out in the articles of incorporation;
F. To provide for annual and special meetings of the Association;
G. To arrange for the annual audit of the Association by a certified public accountant;
H. To provide for the dissemination of information to the members and to the public generally as may be needed to provide suitable publicity for the work and status of the Association; and
I. No individual Director shall have any powers except those provided by the By-Laws or properly authorized in a duly convened Board meeting.

**<u>OFFICERS</u>** (**By-Laws, Article IX)**

**1. Number and Election:** At each annual meeting of the Board, the Directors shall elect a President, Vice-President, Secretary and Treasurer to serve until the next annual meeting of the Board.

**2. President:** The President shall preside over all meetings of the Association and the Board, call special meetings of the Board, perform all acts and duties usually performed by an executive and presiding officer, and sign all membership certificates and all other documents as he may be authorized to by the Board.

**3. Vice-President:** In the absence of the President or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President. When so acting, he shall have the powers of and be subject to all the restrictions upon the President and shall perform such other duties as from time to time may be assigned to him by the Board.

**4. Secretary:** The Secretary shall:

A. Be responsible for preparing the minutes of the meetings of the members and Board;
B. Be custodian of the official Association records;
C. Ensure that a register of the name and address of all members of the Association and of the delegates and alternate delegates of the members is maintained; and
D. In general, perform all the duties incident to the office of the Secretary and such other duties as may be assigned him by the Board.

**5. Treasurer:** The Treasurer shall:

A. Cause to be maintained a proper record of the receipts and disbursements of the Association in accordance with generally accepted accounting principles;
B. Cause all funds to be deposited to the credit of the Association and cause the funds of the corporation to be disbursed according to procedures adopted by the Board;
C. In general, perform all the duties incident to the office of the Treasurer and such other duties as may be assigned him by the Board.

**6. Executive Director:** The Board may employ an Executive Director, who shall serve as the Chief Executive Officer of the Association. The Executive Director will perform such duties as the Board may require of him or her and have such authority as the Board shall vest in him or her.

**7. Bonding:** The Treasurer, the Executive Director and any staff person handling money of the Association shall be bonded in such sum and with such surety as the Board shall determine.

**8. Reports:** The Officers of the Association shall present at each annual meeting of the members reports covering the business of the Association and showing the financial condition of the Association at the close of each fiscal year.

## COMMITTEES

**1. Organization:** The President shall set all committees and the Executive Director shall serve as an advisor on all committees.

**A. Budget & Personnel Review Committee.** The President shall annually appoint a Budget and Personnel Review Committee consisting of **three** members of the ARWA Board. The duties of the committee are to review the annual budget and make recommendations to the Board regarding its adoption. The committee is also responsible for evaluating the performance of the Executive Director annually and making recommendations accordingly.

**B. Nominating Committee.** The Nominating Committee consists of three voting member representatives not currently serving as Association Directors. The President will annually appoint an Active Member representative to a three year term. The Chairperson of the committee will be a Director that is in the third year of his or her term. If no Director is in the third year of his or her term, the Chairperson shall be any Director in the second year of his or her term. In the event of a vacancy, the President will appoint a replacement to fulfill the unexpired term. The duties of the committee are to review the qualifications of candidates whose names have been submitted for consideration to serve as Director and to make a recommendation to the membership to fill the expired terms of the Board.

**C. Standing Committees.** The Alaska Rural Water Association, as part of the long-range plan, has established five (5) standing committees. The chairpersons of the standing committees are appointed by the President. The members of each committee shall be appointed by that committee's chairperson. The determination of committee size will be at the sole discretion of the committee chairperson. Each committee will be assigned at least one ARWA staff member, as support, by the Executive Director.

Legislative Committee: The duties of the Legislative Committee shall be:

1. Keep the full ARWA membership informed as to legislative activity;
2. Identify and assist in the analysis of specific State and Federal legislation and regulation;
3. Direct ARWA in specific legislative and regulatory activities;
4. Plan and host ARWA legislative functions; and
5. Other duties as assigned or developed.

Education Committee: The duties of the Education Committee shall be:

1. Identify and assess ARWA Membership training needs.
2. Direct the development of ARWA educational programs and materials.
3. Analyze existing ARWA educational programs and materials for their effectiveness and make recommendations accordingly.
4. Other duties as assigned or developed.

Conference Committee: The duties of the Conference Committee shall be:

1. Plan and host the ARWA Annual Conference.
2. Perform site visits and make recommendations to the ARWA Board on future conference dates and site locations.
3. Explore the feasibility of developing specialized conferences, e.g. Management, Office Managers, Operators, etc.
4. Coordinate related activities with the Education Committee.
5. Other duties as assigned or developed.

Membership Committee: The duties of the Membership Committee shall be:

1. Evaluate all member services on an annual basis.
2. Evaluate ARWA membership dues structure on an annual basis.
3. Develop strategies designed to retain and expand membership.
4. Other duties as assigned or developed.

By-laws and Policy Committee: The duties of the By-laws/policy committee are:

1. Review By-laws/policies at least once a year

2. Make recommendations for changes to the board .

**DUES STRUCTURE:** The dues structure for membership is established in Article V Section 4 A-E of the Association By-laws.

## ADMINISTRATION

A. The day-to-day operation and administration of the Association shall be under the supervision of the Executive Director.

B. The Directors shall notify the Executive Director when requesting staff assistance. Directors shall give no direction to staff.

C. Directors are encouraged to communicate with individual staff members when appropriate and timely. They are encouraged to keep their discussion on a professional level and in the best interests of the Association.

D. Personnel Policies for all Association staff members shall be established by the Executive Director and approved by the Board.

E. The Executive Director will handle all staff grievances as outlined in the Personnel Policies.

F. The Board shall evaluate the Executive Director annually.

Association offices shall be open for visitation by the membership during the regular office hours or by appointment.

H. The Executive Director shall review all bills, statements, and vouchers submitted to the Association for payment to assure compliance with the budget and Board Policy Manual. The Executive Director shall seek the advice and consent of the Treasurer prior to payment of any questionable expense submitted by an Officer, Director, staff member, supplier or vendor.

G. The Board authorizes the Executive Director ("ED") and any Director having signatory authority established with the financial institution at which ARWA has an account to sign checks on behalf of ARWA, except that any check made payable to the ED shall be signed by two Directors and shall not be signed by the ED. Two signatures are required for every check, no matter the amount.

## TRAVEL AND EXPENSES

B. The Board will be reimbursed by the Association for any and all authorized, reasonable and necessary expenses incurred by Board Members while attending official ARWA functions and activities

C. Vouchers for expenses incurred shall be submitted within sixty (60) days after the trip or service is completed and must be signed by the individual incurring the expense.

D. Original receipts for hotel bills and transportation shall be attached to any voucher for expenses. Reimbursement will be denied for any claim for reimbursement of expenses submitted without receipts or for that portion of any claim for reimbursement that is not accompanied and substantiated by an original receipt. In lieu of an original receipt, a director may submit evidence of an expense for which reimbursement is sought; however, no such expense will be reimbursed if, in the opinion of the Treasurer, Executive Director, or the ARWA accountant, such evidence would not be considered a satisfactory substitute for an original receipt by an auditor. Any expense paid by a Director by credit or debit card for air transportation reserved over the Internet may be evidenced by a clear copy of the electronic confirmation received for the reservation as long as the confirmation is accompanied by a clear copy of the credit card statement showing that expense and the original boarding pass issued by the airline(s) on which the Director traveled.

E. No personal or unreasonable expenditures shall be reimbursed.

F. Mileage reimbursement for travel by a Director using that Director's personal vehicle in conjunction with Association business will be reimbursed at the same rate that ARWA pays its employees for such mileage.

G. Expense vouchers shall include expenses of only the individual Board member. No reimbursements shall be made for spouses or guests without the approval of the President and Executive Director.

H. Expenses incurred by Board members or staff for large groups of members shall not be reimbursed. Only the President and Executive Director are authorized to commit the Association to payment for group expenses.

I. Travel to all ARWA and NRWA meetings must be in the most direct, reasonable and economical manner.

## BUDGET AND FINANCIAL RECORDS

A. The fiscal year of the Association shall be the calendar year.

B. The Budget Committee shall be responsible for submitting a proposed annual operating budget for the Association at the Board Meeting next following the Annual Business Meeting..

C. The financial records of the Association shall be audited annually by an independent accounting firm approved by the Board. A summary of the annual audit report shall be prepared and presented to the membership at the Annual Business Meeting, **By-Laws, Article VII Section 7. F**

D. The investment of monies of any of the Association funds shall be deposited in federally insured financial institutions as may be determined by the Executive Director. The Executive Director will present reports to the Board at least quarterly which show the status of all investments.

E. The Association will establish a goal of maintaining a Reserve Fund equivalent to six (6) months of the Association's operating budget.

F. The official financial audit of the Association is available for public inspection in the ARWA office during normal business hours. A reasonable charge may be assessed for copies.

## REGISTRATION AT CONFERENCES AND MEETINGS

A. Board members are not required to pay a registration fee to attend the Annual Conference or any other conference or workshop sponsored by ARWA. One complimentary ticket shall be provided each board member for admittance to the banquet held in conjunction with the Annual Conference. Tickets to other events requiring payment such as golf tournaments, social events, tours, etc. are not complimentary.

B. To assist in planning, Board members shall complete and submit a registration form for each ARWA meeting or conference they plan to attend.

## NATIONAL REPRESENTATION

A. The Board shall elect a National Director to represent Alaska on the NRWA Board for a three (3) year term. The National Director shall keep the Board informed of NRWA activities by presenting a report at each Board Meeting. The Association shall reimburse the National Director for any reasonable expenses not reimbursed by NRWA.

B. The Official Delegates to the NRWA Annual Conference and Washington Rally shall be the ARWA National Director and ARWA President. Alternate Delegates shall be the ARWA Vice-President, Secretary and/or Past President. ARWA shall reimburse delegates and alternates for their expenses in representing the Association at these events to the extent such expenses are not reimbursed by NRWA.

C. The Board or President may appoint certain members and/or other individuals to represent the Association at any state or national event. ARWA shall reimburse these individuals for any expenses incurred while representing the Association.

## AWARDS

A. The Friend of Rural Water Award, if awarded, shall be in the form of a plaque given to a state or national official or legislator deemed to be a supporter of water and wastewater issues and the Association.

B. The Board may establish any other such awards or scholarships as are determined to be appropriate or for which ARWA funds are available for disbursement.

A.

## AVAILABILITY OF MEMBERSHIP LIST

A. Each year ARWA shall publish a Membership Directory containing a listing of names, addresses, and telephone numbers of all Voting and Associate members of the Association. The directory shall be published in a form and manner to be determined by the Executive Director.

B. Each Voting and Associate member shall be provided one copy of the Membership Directory as part of their membership dues. Non-members may purchase a Membership Directory for $225.

C. The ARWA membership list is available for inspection in the ARWA office by any member during normal business hours.

## ARWA MAGAZINE

A. The ARWA Magazine/Newsletter shall be published a minimum of four (4) times per year and is complimentary for all Voting members and their boards. Associate members receive one complimentary copy per membership. .

B. Subscriptions are not available to the public or non-members without the consent of the Executive Director.

C. Advertising will be accepted on a first come basis provided the vendor submits payment and copy in accordance with the terms and conditions of the advertising agreement .

D. Advertising may be refused by the Executive Director for cause.

## E. PROTECTION OF ASSOCIATION ASSETS

A. The Executive Director shall annually review all insurance policies to assure proper and adequate protection for the association and its assets.

B. All officers and employees having access to cash shall be bonded in sufficient amounts to adequately protect the Association.

C. The Executive Director shall maintain a current inventory list of all Association property and equipment.

D. Each year the Association shall purchase Directors and Officers Liability Insurance for the Board and staff in sufficient amounts to adequately protect the Association.

## CONFLICT OF INTEREST

A. No Officer, Director, Associate Director, or staff of the Association shall have any interest, engage in any activity or incur any obligation which is in conflict with the proper discharge of Association duties.

B. No Officer, Director, Associate Director, or staff of the Association shall engage in any activity which will require disclosure of confidential Association information or otherwise use such information to further personal interests.

## MISCELLANEOUS:

The Board shall have the power to make and adopt such policies not inconsistent with law, the Articles of Incorporation, or the By-Laws, as it may deem advisable for the management of the business and affairs of the Association. Parliamentary procedures for meetings of the Board and of members of the Association shall follow Robert's Rules of Order.

## AMENDMENTS

These Board Policies may be amended at any regular or special meeting of the ARWA Board by a majority vote.

ATTEST: I CERTIFY THAT I WAS PRESENT AT THE ARWA BOARD MEETING ON Monday, July 10, 2006, AND THAT THE FOREGOING BOARD POLICIES WERE AMENDED ON THAT DATE AND THAT THIS COPY IS TRUE AND CORRECT.

_____ _____

William Harvey, PRESIDENT Randy Bonnell, SECRETARY

Dated Tuesday, May 27, 2008.