

**MORA-SAN MIGUEL ELECTRIC COOPERATIVE, INC.  
POLICY DEVELOPMENT**

**BOARD POLICY NO. 125  
Supersedes Policy #41**

**SUBJECT:** Development of Board Policies

**OBJECTIVE:** To create a procedure for the development and amendment of Cooperative Board Policies

POLICY DEVELOPMENT

Policy is the action of the Board of Trustees in duly constituted session where a quorum of the Board is present, and where after due consideration outlines in general terms a directive to the manager to perform a certain task.

Policy should be broad in scope without specific direction to perform a given task, and allow management the latitude to develop operating procedures to meet the conditions that exist or to make decisions where the policy may not be clear in a specific case. A conflict may develop where the intent of the Board may not apply or in the best interest of the Cooperative.

Policy Development Procedure:

1. The Manager, a Trustee, or a group of trustees may feel the need for a specific understanding of a question not covered by existing policy may in a regular board meeting raise the question at the proper time for discussion. No official action shall be taken, but
2. The President of the Board may refer the problem to the manger, or the executive committee for investigation, formulation, and preparation of a rough draft for presentation at the next regular board meeting, or special meeting.
3. No action can be taken by the Board of Trustee until the final draft of a proposed policy has been in the hands of each Trustee for thirty (30) days, unless such action is by unanimous vote by the Board of Directors.
4. Official action of the Board of Trustees on a proposed policy shall be by simple majority vote.

5. Amendments or rescinding of policy shall be by the same procedure outlined above, but shall require a three-fourths votes of all trustees of the board.
6. The Board of Trustees shall not take direct or immediate action in opposition to an existing policy prior to a complete investigation of the problem and the facts are given to each trustees, in written form, at a regular or special meeting.
7. The Board of Trustees guarantees equal and fair action to each member and classification of accounts.
8. All committee assignments regarding policy shall be made by the president of the Board.

Approved Oct. 21, 1970

Effective: Oct. 21, 1970

Reaffirmed: February 24, 1995

Amended: July 31, 1995

  
Board Secretary