

POLICY NO. 10-140

REVISION DATE: October 26, 2004

**SUBJECT: GENERAL MANAGER SELECTION, PERFORMANCE REVIEWS,
& REPLACEMENT**

I. PURPOSE

To describe board policy concerning the selection of a General Manager, reviewing his/her performance and planning for his/her replacement.

II. POLICY CONTENT

Selection of a General Manager:

The board recognizes that selection of a General Manager is one of its primary responsibilities. During this selection process, the board will naturally consider an applicants overall qualifications. However, more consideration will be given to applicants who have the same values and philosophy as the board; such as believing in Cooperative principles, dealing with the membership honestly, importance of good member service, etc.

To solicit applicants, the executive committee is authorized to solicit applications from current employees (subject to board approval). The executive committee may also advertise the opening in newspapers, trade journals, or any other source considered appropriate. The board may also decide to engage the services of organizations specializing in management searches.

The General Manager may be employed with or without an employment contract.

Performance Reviews:

The Board of Directors intends to provide feedback throughout the year concerning the General Managers performance. In addition, the Board of Directors is responsible for formally evaluating the General Managers performance annually in writing. This performance review will consider all

areas of the General Manager's responsibilities including, but not limited to:

- 1) Member/public relations.
- 2) Employee/director relations.
- 3) Compliance with board established policies.
- 4) Ingenuity, creativity, and leadership.
- 5) Knowledge of internal operations of Cooperative.
- 6) Knowledge of legal, economic, and political issues relevant to the Cooperative.
- 7) Effectiveness of procedures used to keep the board informed of important events and issues.

The General Manager's salary will be reviewed at the conclusion of the annual written performance review. The salary level of the General Manager will then be modified if considered appropriate by the board based on performance and cost of living factors.

General Manager Retirement:

In situations where there is no employment contract, the General Manager is responsible for giving the board one years notice before retiring or otherwise terminating employment. Failure to provide this notification may result in a reduction in the General Manager's otherwise available retirement benefits, subject to applicable employment laws. If an employment contract does exist, then the terms and conditions in such contract will be followed.

III. RESPONSIBILITY

The board, or a committee designated by the board, is responsible for the selection and performance reviews of the General Manager. The General Manager is responsible for notifying the board of a planned retirement date at least one year in advance.

ATTESTING:

President

Secretary

Date