



American Biogas Council Board of Directors Policies

Adopted: 15 September 2014

Revised:

Each American Biogas Council (ABC) Director will provide leadership to the ABC for the continuing success of the association and the biogas industry in North America. An ABC Board term lasts for two years. Board elections are staggered so that no more than one half of the Board will be up for re-election or replacement each year. This policy sets forth expectations concerning the Board's collective responsibility as well as the responsibilities of individual Directors.

I. ABC Board Responsibilities

ABC Board responsibilities include:

1. Develop the ABC's Mission and Purpose

Setting the fundamental direction and defining the purpose of the ABC is the most important role of the board. This is not "once and done," but is an ongoing process as the organization reacts to changes in the needs of the industry, federal and state policy, and the environment. The responsibility includes establishment of a multi-year strategic direction, annual plans, and organizational structure.

2. Ensure Legal and Ethical Integrity and Maintain Accountability

The Board carries out this responsibility by assuring that clear policies are adopted which define accountability and legal and ethical behavior by Directors and staff. The Board also ensures that the organization acts consistently within its bylaws and articles of incorporation.

3. Hire and Monitor the Performance of the ABC's Professional Management

Once the Board determines the appropriate organizational structure, it is responsible for hiring professional management, setting performance expectations for management, and monitoring its performance.

4. Provide Financial Oversight

Typically this oversight is provided through review and approval of the annual budget. In addition, the Board must adopt financial policies and procedures, monitor financial performance on a regular basis, assure that appropriate controls are in place and require an annual audit or financial review.

5. Promote Financial Stability

Ensuring adequate financial resources to ensure current functioning and long-term viability of the ABC is the Board's responsibility.

6. Recruit and Orient New Directors and Assess Board Performance

Board responsibilities include defining criteria for Directorship, assessing the need for skills and talent within the Board, identifying and recruiting new members to the Board, and assessing Board performance.

7. Enhance the Organization's Public Standing

The Board serves as a key link between the organization and the public, members, government and other constituencies. Not only should Directors be ambassadors for the organization, but should also see that the organization's mission and accomplishments are communicated to its various constituencies.

8. Determine, Monitor, and Strengthen the Organization's Programs and Services

Directors are key to assessing overall organization performance and relevance to its mission. Given limited resources, the board must set priorities and determine how organizational resources should be allocated to carrying out the mission.

9. Recruitment of New Members

Directors are expected to be enthusiastic advocates for the organization and actively encourage their industry contacts to joining the organization and be able to generally explain membership benefits.

II. ABC Director Responsibilities

The success of the ABC is dependent on an active and engaged Board, individually and collectively. It is imperative that all Directors take their individual commitments seriously. The Board of Directors has developed this policy in order to set clear and shared expectations of ABC Board service.

All ABC Directors are required to make two commitments:

1. **Participate in 75% of all Board meetings.** Board meetings consist of (+/-) one monthly conference call, and one to two in-person meetings annually. In-person meetings will be equipped with conference calling and/or video participation capabilities whenever possible. If Directors cannot attend in-person meetings, they are expected to make a sincere effort to attend via conference call.
 - Participation is defined as participating for the entire meeting (if < 1 hour), or for a minimum of one hour per Board meeting in order to fulfill this requirement.
 - If a Director does not meet the 75% requirement over a Board-year (October – September), the Board may take action to terminate the service of an individual Director.
 - Directors must announce themselves upon entering the meeting and announce their departure so that their attendance and participation can be accurately recorded.
 - Directors will use best efforts to notify the ABC staff when they know they will miss a Board Meeting.

- All Board meeting minutes will include the attendance. Once the Board approves the minutes, the attendance for such meeting will be considered official.
 - ABC staff will be the official record keeper of attendance
 - All meeting minutes will include absences
 - Board attendance records will be reported to the Board Nominating Committee when Directors stand for re-election
- 2. **Actively participate on at least one committee, work group, or special project during every year of service on the Board.** Typically (though not exclusively) this participation will entail co-chairing or another leadership role in the activity.
 - Director participation includes actively encouraging the committees and workgroups to accomplish their assigned tasks and facilitating communication between the committees and the Board.
 - Participation shall be documented by committee and workgroup meeting minutes, as well as by other means of communication, including email
 - Committee and work group members are responsible to clearly announce themselves upon entering meetings and announce their departure so their attendance and participation can be accurately recorded
 - ABC staff will monitor meeting attendance and excessive absences

In addition to the above commitments, Directors are also expected to:

- Familiarize themselves with the organization and its bylaws and procedures.
- Come to the Board meetings prepared, with assignments completed, having read the agenda and attachments.
- Contribute to discussions and decision making in a positive and constructive manner, with interactions in meetings courteous, respectful, and free of animosity.
- Participate in the planning process to direct the future of the ABC, and represent the interests of the Council's membership in determining needs and goals.
- Support, monitor, and assist in the implementation and evaluation of the ABC's mission.
- Provide leadership to ensure the financial viability of the ABC by attending and supporting ABC events, inviting other industry members to join the organization, contributing ideas to help ABC develop diversified sources of revenues, calling on and/or sharing vendor, supplier, and biogas system developer contacts for sponsorships and/or membership, and by ensuring that their employer pays dues on time,.
- Provide a communication link from the Board to the members by attending committee and work group meetings and reporting on activities of the Board, using these opportunities to solicit feedback from members.
- Take responsibility for ABC leadership development by identifying individuals in the association who have potential to be committee or working group chairs, Directors, or to provide other forms of leadership or contribution.
- Support the policies and programs of the ABC, including participating in the legislative endeavors.
- Support a "culture of inquiry" that leads to sound and shared decision-making. This is accomplished via constructive debate including but not limited to: seeking more

information, questioning assumptions, and challenging conclusions such that the Board can advocate for solutions based on analysis.

III. ABC Board Duty of Loyalty

Among the obligations of an officer, director, staff member, or committee member of any non-profit organization is a Duty of Loyalty to the organization. The Duty of Loyalty has several dimensions.

The Duty of Loyalty includes supporting, and not opposing (directly or indirectly) or taking any other stance against the policies and positions duly adopted by ABC's Board of Directors. As representatives of the ABC, officers, directors, staff, and committee members are obligated to maintain this Duty of Loyalty in all manner of activities during their terms of office. The Duty of Loyalty is not intended to discourage debate within Board or committee meetings. Such debate is encouraged and is part of the individual's responsibility in the deliberation process. Directors serve as individuals, not as representatives of the company, institution, or organization where they are otherwise employed.* Directors are expected to take the best interests of the organization into consideration when making decisions, rather than attempting to further the interests of their employers. If a Director's employer opposes a policy or decision adopted by the Board of Directors, the Director should confine that disagreement to internal discussions within the ABC and refrain from public criticism of the ABC. If the Director's duties to his or her employer require the Member to make a public statement about the issue in question, the Director should make clear that he or she is speaking on behalf of the employer and not on behalf of the ABC.

The Duty of Loyalty also prohibits a Director from seizing a "corporate opportunity" for his or her employer's benefit or his or her personal benefit. This means that such a Director may not take advantage of a business opportunity in which the officer or director knows ABC has a genuine interest and where such an opportunity would be consistent with ABC's purposes, mission and goals as a non-profit corporation. Further, if the officer or director becomes aware of such an opportunity, he or she is obliged to so inform ABC and allow ABC to act first.

Note: The Duty of Loyalty pertains to all Directors, including Directors who have been appointed by a Sustaining Member. Although Sustaining Members have the right to designate an individual to serve on the Board, those designated individuals have the same duties and obligations to the ABC as do all other Directors.

IV. ABC Conflict of Interest Policy

A "conflict of interest" is generally defined as a transaction in which, because the individual is, either directly or indirectly, a party to the transaction or possible beneficiary of the transaction, there is or may be a conflict between the individual's fiduciary obligations to the ABC and the individual's personal or business interests. To avoid potential conflict of interest problems, ***Directors must disclose potential conflicts of interest they may have regarding matters that may come before the Board, and abstain from discussion and voting on any matter, in which the Director has or may have a conflict of interest.*** ABC has established the following procedures to implement this policy:

1. In any transaction that may give rise to a conflict of interest, the Director must disclose to the Board (or committee) considering the matter the material facts of the transaction and the Member's or the Member's employer's past or current business relationship with the ABC, excluding advertising. Transactions that could give rise to a conflict of interest include those involving ABC and an ABC officer, director, staff, or committee member, and any corporation, partnership or other entity in which an individual is an officer, director, employee, consultant, or committee member, and where the transaction could have a financial or other beneficial impact on the Director or his or her employer.

2. Upon such disclosure, the individual shall take no further part in the meeting as a Director during which time the proposal is considered and voted upon. Upon invitation of the Board, the individual may participate in the meeting to provide information in the individual's private capacity, but must not participate in the decision-making deliberations or voting.

3. After receiving such disclosure, prior to approving the transaction, the Board or committee must conclude that the transaction is "fair to ABC" and must approve the transaction without the participation or the vote of the interested individual.

4. The interested individual's presence at the meeting may be counted in determining whether a quorum of the Board or committee is present, but that individual shall not vote on the transaction.

V. ABC Board Confidentiality Policy

ABC's Board Meetings are generally open to all ABC members in good standing to attend and listen. Participation in Board Meeting discussions by non-Directors is at the discretion of the Board. Minutes of the Board Meetings are posted to the ABC website Members Only section. While ABC has adopted these policies in an effort to be open, transparent, and responsive to its Members, certain matters may require confidential treatment. These include, for example, discussion of political strategy and tactics, personnel matters, and contractual negotiations. When such matters arise, any Director may request that the Board enter Executive Session. Upon majority vote of the Board, the ensuing discussion of the matter will be considered confidential and subject to the provisions of the following paragraph.

When the Board enters Executive Session, the following procedures and expectations apply. First, a separate set of meeting minutes shall be maintained and kept as confidential. Second, each Director and staff member shall keep confidential any and all information relating to the matters discussed in the Executive Session, including any and all materials, *e.g.*, correspondence, reports, *etc.*, unless compelled by legal process to disclose such information, or as otherwise agreed by the Board. The above procedures pertain to the discussion and deliberation during Executive Session. Unless otherwise determined by the Board, any actions decided by the Board at the conclusion of such deliberations shall be included in the open-to-members minutes and Directors and ABC staff may discuss such actions adopted by the Board.

VI. ABC Board Nomination and Election Procedures

This policy is currently under development.