

October 22, 2025

To: Sourcewell Voting Member Entities

From: Katrina Wood, Election Judge

Re: Upcoming Election

We invite you to take part in the upcoming Sourcewell Board of Directors election.

This election ensures members help guide Sourcewell's future through fair and open participation. Please review the details below to prepare your nomination.

Sourcewell membership includes four subregions:

- Subregions I, II, and III: School districts
- Subregion IV: Cities, counties, and other government agencies

Each subregion elects two officials to serve on the Sourcewell Board of Directors.

Available Seats:

- One four-year term from **Subregion I**
- One four-year term from **Subregion IV**

The terms ending December 31, 2025, are held by:

- **Subregion I:** Sharon Thiel – Board Member, Bertha Hewitt School District
- **Subregion IV:** Steve Barrows – Dist. 3, Crow Wing County Commissioner

File nominations between October 27, 2025, and December 26, 2025. A governing body must pass a majority resolution to nominate a candidate. All nominees must be elected officials as of **January 2026** and remain in office throughout their term of office.

Please review the attached materials at your next board meeting. If your board supports a nomination, complete the enclosed form and include a copy of the meeting minutes. Submit both by **December 26, 2025**, by mail or using the QR code below to complete the form electronically.



QR Code:

Attachments:

- Nomination Form
- Full Voting Sub-Regional Membership
- Roles and Responsibilities of Directors

Nomination Form for the Board of Directors

Submit by December 26, 2025

Return by mail:

Sourcewell – Attn: Administration
202 12th Street NE Staples, MN 56479

Or scan the QR code to submit electronically.

Eligibility

Nominees must be elected officials as of January 2026. Each nomination requires a majority vote by the governing body of the voting member.

Available Seats:

- One four-year term from Sub Region I Term Expires 12/31/2029
- One four-year term from Sub Region IV Term Expires 12/31/2029

Nominee Information

Name	
Current Position	
Phone Number	
Email Address	

Nominee's Qualifications

Provide a short biography highlighting relevant experience, skills, and accomplishments. This information will appear on the election ballot.

[Attach Description]

Nominator Information

Name of Entity	
Current Position	
Phone Number	
Email Address	

Certification

We certify that the information is accurate and meets all nomination requirements. Include a copy of your meeting minutes.

Signature	Printed Name	Title
Signature	Printed Name	Title

Roles and Responsibilities of Directors

The statutory duties and powers of the Board of Directors of Sourcewell, as a service cooperative, are set forth in Minnesota Statutes Section 123A.21. The statute provides, in part, that the care, management, and control of a service cooperative are vested in a Board of Directors. The Board of Directors is authorized to employ a central administrative staff and other personnel as necessary to provide and support Sourcewell's programs and services or otherwise contract for such administrative support.

Sourcewell is also a public corporation and agency dedicated to public purposes; as such, all funds and property acquired by Sourcewell is public property and must remain dedicated to public purposes. No earnings or interests of Sourcewell may inure to the benefit of an individual or private party. These characteristics of Sourcewell and the limitations on how it may use and distribute its assets are analogous to charitable nonprofit corporations and the rules applicable to them. Accordingly, it is sensible for directors of Sourcewell to look to the standards of conduct applicable to governing boards of nonprofit corporations—typically articulated as fiduciary duties—as a model for their own conduct. These duties, along with how they apply in practice, are summarized briefly below.

1. Duty of Care

The duty of care requires Board members to exercise the care and diligence that an ordinarily prudent person would exhibit under similar circumstances. Before voting on a matter, Board members should ensure they have an adequate understanding of all the material facts with respect to the matter and the consequences expected to flow from the Board's decision. Board members can fulfill their fiduciary duty of care by making a reasonable investigation into the material facts related to a proposal, engaging in a process of deliberation, and making informed decisions they believe to be in the best interest of Sourcewell.

Note that the duty of care requires that Board members act with reasonable prudence given the facts known to them at the time a Board decision is made. As long as adequate inquiry into the relevant facts is made, there is no requirement that a Board decision always be "correct" or ultimately beneficial to Sourcewell. If a Board acts reasonably and in good faith, its members are generally protected from personal liability.

To fulfill their fiduciary duty of care, individual Board members should:

- Attend and participate fully in meetings of the Board or committees of the Board of which they are a member;
- Read and ensure the accuracy of all reports provided to the Board, including financial reports, committee reports, reports from management, and meeting minutes;
- Place matters on the agenda for a meeting that the Board member reasonably believes to be important;
- Review and consider materials supplied by management concerning Sourcewell's business and affairs, and if sufficient information is not made available in a timely manner, request that action be delayed until the desired information is supplied and studied;

- Ask questions, challenge assumptions, consult with experts as needed, and follow up on matters that may not have been resolved; and
- Ensure Sourcewell has sufficient resources to perform its public mission (including funds, people, and other assets).

The Board as a whole can also take particular actions to help its individual members comply with their fiduciary duty of care. In order to make sure that it is making an informed decision, the Board should take all of the following actions that are appropriate to the specific proposal at issue:

- Evaluate the proposal in light of its role in furthering Sourcewell's public mission, serving its constituents, and safeguarding its charitable assets;
- Ensure all written materials are distributed to all Board members well in advance of the Board meeting to allow adequate time for diligent review ahead of the meeting;
- Allow adequate time at meetings to discuss proposed actions;
- Deliberate thoroughly;
- Ask critical questions and analyze answers;
- Obtain opinions and evaluations from management and outside experts as needed, such as investment bankers, accountants and legal counsel;
- Compare the financial projections of a proposal to the financial projections of Sourcewell's existing business plan;
- Consider realistic alternatives;
- Evaluate the consequences that may flow from the proposal; and
- Carefully document the basis for the decision.

Of course, less complex or less significant decisions do not require the same level of effort, but still should be treated with diligence and care, and should be based on adequate information.

2. Duty of Loyalty

The duty of loyalty requires Board members to act in Sourcewell's best interests at all times. A Board member should consider the interests of Sourcewell as a whole, as opposed to any contingency or special interest within the organization. The duty of loyalty requires a Board member to make a good-faith effort to:

- Act in accordance with Sourcewell's governing documents and policies and procedures and in furtherance of its mission;
- Represent Sourcewell to the public in a favorable light; and

- Act at all times in the best interests of Sourcewell without regard for the Board member's personal priorities or financial interests or the priorities or financial interests of a family member or other organization.

3. Duty of Obedience

The duty of obedience requires Board members to follow Sourcewell's governing statutes and established policies, carry out its public mission, and ensure its funds are used for lawful purposes.

4. Oversight Role of the Board

The Board is charged with ultimate responsibility for the care, management, and control of Sourcewell; however, as is permitted by law, the Board has delegated the day-to-day administration and implementation of Sourcewell's programs and services to management and staff. As such, the Board's role is chiefly to provide oversight and support in the following areas:

- Sourcewell's fidelity to its public mission
- Sourcewell's compliance with applicable laws and regulations
- Strategic plan development
- Financial planning and budgeting
- Assessment of performance against strategic objectives and budget
- Evaluation and approval of material transactions and changes in programs and services
- Evaluation of the performance of the chief executive officer

5. Legal References

Minn. Stat. § 123A.21, subds. 4(a), 5(c), 5(g), and 9
Minn. Stat. § 317A.251

6. Equity Commitment

In addition to the statutory and fiduciary duties outlined above, the Sourcewell Board of Directors affirms its commitment to the following equity statement:

Sourcewell exists to empower community success. We stand with our partners in government and education striving to recognize and honor the differences in each of our community members. We are committed to removing barriers to equity.

