

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

OPERATIONS COMMITTEE MEETING
AGENDA ITEM SUMMARY

September 10, 2008

ACTION REQUIRED

AGENDA ITEM NO. VIII.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

Board Policy 108 – Director Meeting Fees and Expenses

DISCUSSION

Provide fair and equitable compensation to Association directors for attendance at Board, Committee, member and other meetings, conferences or when otherwise representing the Association in an official capacity.

Define the definition of a meeting where the business of the Association is being discussed, representation at a wholesale customer board meeting, industry and trade association assemblies and training classes.

Define eligibility for payment of meeting fees and expenses.

MOTION:

Move that the Operations Committee recommend that the Board of Directors approve the revisions to Board Policy 108.

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 108

DATE: _____

DIRECTOR MEETING FEES AND EXPENSES

I. OBJECTIVE

To provide fair and equitable compensation to Association Directors for attendance at Board, committee, member and other meetings, conferences, or when otherwise representing the Association in an official capacity.

II. CONTENT

- A. A meeting attendance fee of ~~\$300~~ for each day, or for each fraction thereof, and reasonable out-of-pocket expenses, will be paid to Directors when attending regular or special Board or committee meetings, member meetings, or conferences, in person or by telephone, or when otherwise representing the Association in an official capacity within the State of Alaska. Directors shall be compensated in the amount of ~~\$400~~ for each day the Director attends one or more meetings outside the State of Alaska representing the Association. If more than one meeting is held the same day, only one day's meeting attendance fee will be paid.

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Each day of a multi-day meeting counts as a meeting for the purposes of the 70 day meeting limit (limit of 85 meetings for the Chairman of the Board).

No attendance other than at regular or special Board meetings shall be reimbursed unless approved in advance by the majority vote of the Board or unless the meeting was on the Board ~~calendar, which~~ was approved ~~in advance~~ by the Board.

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Meetings are defined as an assembly where the business of the Association is being discussed, representation at wholesale customer board meetings, industry and trade association assemblies, and training classes. Attendance at luncheons and other primarily social functions that may appear on the Board Calendar do not qualify as a 'meeting' and Directors are not eligible for meeting fees for attending. Expenses for luncheons must be paid for directly by the Association and are not eligible for reimbursement to the Director.

- B. A Director may fly his or her own aircraft to a meeting or while on Association business. The aircraft must be operated in compliance with the Federal Aviation Regulations and the Director and aircraft must be approved and covered under the Association's Non-Owned Aviation insurance policy. No more than two Directors and no more than two key staff may travel aboard an aircraft provided or piloted by a Director.

- C. Directors will be paid a meeting attendance fee of ~~\$400~~ for each day of travel to and

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from meetings, conferences, or when otherwise representing the Association outside of the State of Alaska. Directors traveling in their own vehicles or aircraft will be paid a meeting attendance fee of \$400 for each day of travel to and from meetings, conferences, or when otherwise representing the Association outside of the State of Alaska, but will be paid only for those travel days that would normally be required if the Director had traveled by commercial airlines.

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D. A cash advance may be secured prior to travel upon submittal of a Cash Advance Request form, not to exceed \$100 per day.

E. Directors shall be reimbursed for all legitimate expenses for attendance at such meetings upon submission of a detailed expense account, with receipts attached as appropriate. Such expense accounts shall be reviewed and approved by the majority vote of the Board. No expenses will be paid for spouses, family members or companions of Directors accompanying them to meetings. Travel shall be reimbursed on the following basis:

1. If commercial air travel is available, then regardless of the method of travel used, reimbursement shall be for the expenses actually incurred, but shall not exceed round trip airfare by the most economical means. All air travel arrangements will be made through the Office of the Chief Executive Officer and will take advantage of the most economical rate available.
2. First-class air travel shall not be approved for payment; however, the Director may travel first-class providing the Director charges the Association only the appropriate coach-class rate.
3. If a Director elects to travel by personal automobile, mileage reimbursement shall be at the current rate established by the Internal Revenue Service and shall not exceed the cost of round trip airfare by the most economical means. Directors are encouraged to pool vehicles whenever possible.

F. Any Director authorized by the Board of Directors to attend a conference or training program will be paid meeting attendance fees, travel and reasonable out-of-pocket expenses evidenced by receipts. All arrangements shall be made through the Office of the Chief Executive Officer. The Association shall pay registration fees and, when possible, prepaid accommodations.

G. No travel expenses to or from regular or special Board meetings shall be reimbursed without prior authorization by the Board.

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H. Directors may possess and utilize an Association credit card only upon approval by the Board at a Regular meeting of the Board. Justification for the credit card must be the extraordinary travel and resulting expenses anticipated for the Director.

III. RESPONSIBILITIES

A. It shall be the responsibility of the Board to ensure that the provisions of this policy are carried out.

- B. A summary of the meeting attendance fees and other expenses of Directors shall be itemized and published annually.

Date Approved: _____

Attested: _____
Secretary of the Board