

**CHUGACH ELECTRIC ASSOCIATION, INC.**  
**Anchorage, Alaska**

**OPERATIONS COMMITTEE MEETING**  
**AGENDA ITEM SUMMARY**

**December 10, 2008**

**ACTION REQUIRED**

**AGENDA ITEM NO. IX.**

- Information Only
  - Motion
  - Resolution
  - Executive Session
  - Other
- 

**TOPIC**

Board Policy 108 – Director Meeting Fees and Expenses

**DISCUSSION**

The purpose of this revision is to allow the Board to impose penalties and suspend payment of meeting attendance fees if any Director is in violation of Board Policy 124, Conflict of Interest or Board Policy 128, Confidentiality.

**MOTION**

Move that the Operations Committee recommend the Board of Directors to approve the revised Board Policy 108, Director Meeting Fees and Expenses.

**CHUGACH ELECTRIC ASSOCIATION, INC.**

**BOARD POLICY: 108**

**DATE: August 16, 2006**

**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 \$200 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 \$250 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.

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 by the Board.

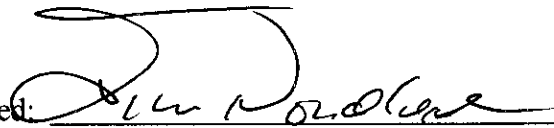
- B. A Director may fly his or her own aircraft to a meeting or while on Association business. The aircraft must be operated in compliance with the Federal Aviation Regulations and the Director and aircraft must be approved and covered under the Association's Non-Owned Aviation insurance policy. No more 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 \$250 for each day of travel to and 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 \$250 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.

- D. A cash advance may be secured prior to travel upon submittal of a Cash Advance Request form, not to exceed \$250 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 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. All arrangements shall be made through the Office of the Chief Executive Officer. The Association shall pay registration fees and, when possible, prepay accommodations.
- G. No travel expenses to or from regular or special Board meetings shall be reimbursed without prior authorization by the Board.

**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: 8-23-06

Attested:   
Secretary of the Board

**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 \$200 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 \$250 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.

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 by the Board.

- 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 \$250 for each day of travel to and 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 \$250 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.

- D. A cash advance may be secured prior to travel upon submittal of a Cash Advance Request form, not to exceed \$250 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 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. All arrangements shall be made through the Office of the Chief Executive Officer. The Association shall pay registration fees and, when possible, prepay accommodations.
- G. No travel expenses to or from regular or special Board meetings shall be reimbursed without prior authorization by the Board.
- H. The Board shall have the power to suspend the payment of meeting attendance fees [(but not the reimbursement of legitimate out-of-pocket expenses associated with meeting attendance)] to any Director who is found to have violated Board Policies 124 (Conflict of Interest) or 128 (Confidentiality). [Fees may be suspended for up to the greater of [\$ \_\_\_\_\_] and [six months] per violation.] The proposed suspension of fees may be considered in Executive Session of the Board, but any action to suspend fees shall be taken in open session and documented in the minutes of the applicable Board meeting.

### 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