

POLK-BURNETT ELECTRIC COOPERATIVE

- Policy No.: **BD-10**
- Subject: **Directors' Expenses and Per Diem**
- Objective: To establish, in compliance with bylaw requirements, the expenses and per diems which may be claimed by Directors in the performance of their duties.
- Policy:
1. Per diems, expenses & transportation:
 - a. Per diems – *regular meetings* - effective May 20, 2003:
 - Full Day - \$300
 - The president will receive \$380 for the board meetings he presides over.
 - b. Per diems – *special board meetings, seminars, NRECA meetings, and/or cooperative business related meetings* – effective January 1, 2018:
 - Full Day - \$300 (\$200 for each additional days if meeting lasts more than one day)
 - The president will receive \$380 for meetings he presides over.
 - c. Expenses - Actual reimbursements are paid for expenses incurred in the performance of duties, including but not limited to: meals, telephone charges, lodging, registration fees, parking, and other related out-of-pocket expenses (does not include alcoholic beverages). Itemized receipts are required.
 - d. Transportation - Use of a private vehicle will be reimbursed based on the current allowable IRS mileage rate using the most direct route or actual cost reimbursement of regular coach class airline fare. Reimbursement for mileage may not exceed the cost of regular coach class airline fare.
 - e. Considerations for per diem adjustments will be reviewed on an annual basis.
 2. NRECA Annual Meeting or CFC Forum and NRECA Legislative Meeting:
 - a. Attendance - Each director shall be authorized to attend once every two years (directors from even numbered districts go in even years, and directors from odd numbered districts go in odd years). Directors may switch attendance years with approval of the board. The president of the board is authorized to attend each year.
 - b. A per diem (see schedule above) for a full day will be paid. Reimbursement is based on the actual number of days traveled to/from and attendance at the meetings, but is limited to a maximum of 5 days.
 - c. Expenses – Actual reimbursements are paid for expenses incurred in the performance of duties, including but not limited to: meals, telephone charges, lodging, registration fees, parking, and other related out-of-pocket expenses (does not include alcoholic beverages) for those days that per diem is paid. Itemized receipts are required.

- d. Transportation - Use of a private vehicle or reimbursement of the actual cost for flying coach on a commercial airline is authorized. When using a private vehicle the board member will be reimbursed using the current allowable IRS mileage, but reimbursement will not exceed a total of \$500 regardless of the miles driven.
3. Director's Spouse Attendance - At meetings the spouse's expenses shall be the responsibility of the director, with the exception of meals, lodging costs and spousal meeting registration fees.
4. Director Payments – Directors' expenses and per diems are direct deposit into an account of the director's choice. An individual director may choose to receive payments as detailed in this policy monthly, quarterly, semi-annual, annually, or in whatever time frame the director so chooses. Such election must be consistent with the cooperative's accounting procedures. Any amounts due directors shall carry no interest. All amounts due inactive directors shall be paid in full.
5. All director per diems and expenses shall be reviewed and approved by the board.

Edward O. Gullickson, President
March 26, 2018