

VALLEY ELECTRIC ASSOCIATION, INC.

Board Policy #104

Subject: DIRECTORS FEES AND EXPENSES

Dated: August 27, 2014
Supersedes Date: March 30, 2012

Former Corporate Policy #: 106

I. PURPOSE

The purpose of this policy is to establish an appropriate fee and expense policy for both members of the Association's Board of Directors and their respective spouses.

II. POLICY

The following shall be the Association's policy with respect to a Director's fees and expenses, and for the expenses of any spouse of a Director:

- A. Each Director shall be paid \$1,000.00 per meeting for attending regular meetings of the Board of Directors. For purposes of this Policy 104, there shall be no more than twelve (12) regularly called Board meeting per calendar year. Each Director shall also be paid \$500.00 for any special meeting of the Board of Directors (excluding special telephonic meetings.) Each Director shall be paid \$100.00 for any special telephonic meeting of the Board of Directors, called specifically as a telephonic meeting of the Board of Directors, regardless of whether the Director appears telephonically, through the use of other similar electronic equipment, or in person.
- B. A Director may waive all or part of his/her Director's fee. Directors shall not be paid for more than one meeting per day, and no spouse or other relative of a Director shall be paid any flat fee for attending regular or special meetings of the Board of Directors.
- C. Each Director shall be reimbursed for travel to and from his/her destination when the Director is attending any regular or special meetings of the Board of Directors, Director training seminars, state or national conferences, when performing duties on behalf of the Association, or while performing bona-fide Association business (each, an "Official Association Function"). Qualified Official Association Functions shall be determined by the Board of Directors. Reimbursement for charges incurred when a Director is using his/her personal vehicle to attend an Official Association Function shall be at the per mile rate authorized for the current year in the regulations of the Internal Revenue Service. In addition, each Director shall be reimbursed for the actual cost of transportation, food, lodging and other necessary expenses incurred at or for an Official Association Function.

- D. A Director shall be entitled to bring his/her spouse, or one alternate person, to any Official Association Function, and that spouse (or alternate) shall also be reimbursed for the actual cost of transportation, food, and other essential expenses incurred when present at such Official Association Function.
- E. Any Director (and Director's spouse / alternate) seeking reimbursement for expenses shall provide an accounting on a standard expense statement provided by the Association on a timely basis.

III. RESPONSIBILITY

The Board of Directors is responsible for the administration of this policy.