

POLICY BULLETIN NO. 33

SUBJECT: DIRECTOR COMPENSATION AND TRAVEL REIMBURSEMENT FOR MEETING ATTENDANCE

I. OBJECTIVES:

To establish compensation for directors, payment for meeting attendance (in person and virtual), and reimbursement for travel and other related costs associated with director duties and responsibilities.

II. POLICY CONTENT:

Be It Resolved by the Board of Directors of Grand Valley Rural Power Lines, Inc. that the following provisions shall govern director compensation and meeting attendance (in person and virtual) by directors:

- A. **Base Compensation.** Directors shall receive \$900.00 per month as base compensation, which is intended to compensate directors for:
1. Attendance at board meetings, committee meetings and member meetings. If a director does not attend a regularly scheduled board meeting, his or her base compensation shall be reduced by \$600.00 to \$300.00 per month.
 2. Reviewing materials provided by CEO and board leadership and staying current with industry news.
 3. Maintaining capability to communicate with GVP management by telephone or email.
 4. Being available to GVP consumers, and able to respond appropriately to member concerns.
 5. Participating in cooperative activities such as GVP annual meeting, summer picnic, family safety day and Christmas party.
 6. Participating in industry and trade association webinars (in person and virtual) that do not require a significant investment of a director's time and attention.
 7. Representing GVP at community functions, scholarship presentations, and capital credit check presentations.
- B. **Meeting Attendance Supplement.** Directors are encouraged to participate in conferences and educational sessions sponsored by trade associations and product and service suppliers including CREA, NRECA, CFC, and CoBank. In addition to, and not in lieu of other compensation described herein, a director traveling outside Mesa County to participate in cooperative activities such as attendance at trade association and vendor meetings, board meetings, conferences, educational sessions and legislative functions is entitled to receive \$250.00 per day for each day or partial day of attendance. This supplement does not apply to days spent traveling to and from the function.

- C. **Virtual Meeting Attendance.** From time to time, it may be necessary or beneficial for directors to attend virtual meetings and/or educational sessions, and they are encouraged to do so. When participation in a virtual meeting and/or educational session requires the expenditure of significant time and attention on the part of a director, the director is entitled to receive \$200.00 for each day or partial day of virtual attendance.
- D. **Board President Supplement.** The director serving as GVP's board president is eligible to receive supplementary compensation of \$100.00 per month as compensation for the additional responsibility and time commitment the office requires.
- E. **Director Certificate Awards.** Directors are expected to participate in Director Certificate Programs offered by NRECA. A director is eligible to receive a director certificate supplement in the amount of \$250.00 for each of the following NRECA director certificates held or obtained by the director: (1) Credentialed Cooperative Director (CCD); (2) Board Leadership (BLC); and (3) Director Gold certificates. This supplement is intended as a one-time award for each certification earned.
- F. **CREA Delegate Supplement.** A director serving as GVP's CREA board delegate or alternate delegate is eligible to receive \$400.00 per month each month he or she attends a regular CREA board meeting outside GVP's service territory. GVP's CREA board delegate/alternate delegate is also entitled to receive a \$150 per day meeting attendance supplement when he or she travels outside of Mesa County for a meeting. For participating in a CREA board of directors or committee meeting by telephone or electronic means during a month when he or she does not attend a CREA board meeting outside the service territory, GVP's board delegate/alternate delegate is entitled to \$200 for each such meeting.
- G. **WUE Delegate Stipend.** Western United Electric Supply (WUE) pays a stipend to the director serving as GVP's delegate on the WUE board of directors. GVP's WUE board delegate is also entitled to receive a \$150 per day meeting attendance supplement when he or she travels outside Mesa County for a meeting.
- H. **Special Circumstances Supplement.** In the event special circumstances require the commitment of extra time and effort by board members, the GVP board may approve additional compensation supplements for board members, either individually or collectively. The board may authorize payment to directors of up to \$200 per day, not to exceed \$1,000.00 per director per year.
- I. **Director Travel Expense.** Directors incurring travel expenses in connection with their responsibilities on behalf of GVP shall be reimbursed as follows:
1. For travel in a personal vehicle, including travel within GVP's service territory,

the director shall be reimbursed at the mileage rate allowed by the Internal Revenue Service for the date of travel.

2. For lodging and transportation expense incurred outside GVP's service territory other than the use of a personal vehicle, reimbursement shall be made for the actual cost of lodging and transportation expense. In some instances, the most affordable way to reach a destination is by air travel. If this is the case, and a director travels to the destination by personal vehicle or another mode of transportation, expense reimbursement shall not exceed the rate of economy or coach fare to reach the destination, plus other expenses associated with air travel (baggage fees, airport transfer and parking expenses, and car rental and/or taxi fares). Except in special circumstances (e.g., bad weather impacting travel) expense reimbursement should be limited to one travel day each way, with no lodging or meal expense for extra driving days.
3. Reimbursement for meals and incidental expenses incurred while traveling outside GVP's service territory shall be provided on a per diem basis, in accordance with applicable Internal Revenue Service rates and guidelines based upon the location of event attended.

J. Payment Approval.

1. Approval of Standard and Pre-approved Director Compensation and Expense Reimbursement Requests. The cooperative's Chief Executive Officer (CEO) and Manager of Finance are authorized to issue payment for mileage expense incurred in connection with GVP activities. Mileage reimbursement shall be based upon the round-trip mileage from the director's residence to the location of the meeting or function attended. A director seeking reimbursement for expenses shall submit an Expense Summary to the cooperative for each meeting or conference for which expense reimbursement is requested. The summary should include actual receipts for lodging, airfare, car rental, taxi fares, tolls, parking and taxes. If reimbursement for use of a personal vehicle is requested, the dates of travel and the number of miles driven should be specified. If reimbursement is requested for meals and incidental expenses, the number of days involved in attending the conference should be specified, along with the location of the conference.
2. The CEO and Manager of Finance are also authorized to issue payment for attendance fees and expense reimbursement in connection with attendance at sanctioned meetings, provided the amount requested is supported by appropriate receipts and invoices and does not exceed the amount pre-approved by the Board of Directors for the meeting in question. After processing compensation and expense reimbursement requests, all requests will be submitted to the Finance and Audit Committee for review.
3. Approval of Other Director Compensation and Expense Reimbursement Requests. All requests for compensation or expense reimbursement not addressed in paragraphs 1 and 2 above shall be submitted to the Finance and Audit Committee of the Grand Valley Rural Power Lines, Inc. Board of Directors for approval. Upon approval, the committee shall forward the approved request to the Manager of Finance for payment processing.

III. RESPONSIBILITY:

It shall be the responsibility of the Board of Directors to review and determine the adequacy of this policy on an annual basis.

Attest: Jesse Mease
Secretary

Date Adopted: September 9, 1959
Date Reviewed: January 17, 1996
January 17, 2001
December 18, 2002
May 17, 2006
Date Revised: April 16, 2008
Date Revised: December 21, 2011
Date Revised: January 18, 2012
Date Revised: January 17, 2013
Date Revised: February 19, 2014
Date Revised: January 18, 2017
Date Revised: January 17, 2018
Date Revised: August 15, 2018
Date Revised: September 18, 2019
Date Revised: September 16, 2020
Date Reviewed: September 15, 2021
Date Reviewed: October 19, 2022