

TRUSTEE POLICY NO. 205

1. SUBJECT: TRUSTEE MEETINGS AND COMPENSATION

2. OBJECTIVE: To state the general policy of Beartooth Electric Cooperative, Inc. (BEC) for trustee attendance at meetings, establish the per-diem, expense and compensation practices.

3. POLICY:

3.1. Trustee Attendance at Meetings:

3.1.1. Trustees are expected to attend all regular and special board meetings in person. If trustees are occasionally unable to attend a meeting, trustees may attend by phone/video conferencing. Also attendance is required at the annual meeting of members and encouraged at other member meetings that may be called. Trustees who fail to attend the annual meeting will be penalized \$250, which may be deducted from that trustee's per diem for attendance at any subsequent meeting. Non-attendance at the annual meeting also precludes payment if a trustee calls in to the post-annual meeting board meeting and election.

3.1.2. Trustees may be elected to represent BEC at national, regional, state and special meetings. They are also required to seek training as needed to develop and improve skills which will help them better serve the membership as approved by the board president.

3.2. Trustee Compensation:

3.2.1. Attendance at meetings: BEC will pay each trustee the sum of two hundred and fifty dollars (\$250) per day for attendance at the monthly board meetings. For other meetings of the board or meetings relating to BEC operations and/or business approved by the board, BEC will pay each trustee the sum of one hundred twenty-five dollars (\$125) per day for such meetings requiring less than four (4) hours. For any such meetings requiring 4 hours or more, each trustee shall be paid two hundred and fifty dollars (\$250) per day.

3.2.2. Other non-BEC board meetings: If the BEC board authorizes a trustee to serve on another board which relates to the business or interests of BEC, the trustee serving on such a board shall be paid for attending meetings of such a board in accordance with paragraph 3.2.1 above, unless such board provides compensation for attendance at such meetings. A trustee also shall be reimbursed for the trustee's actual and reasonable expenses for attending such meetings unless reimbursement is provided by the organization.

3.2.3. Trustees are expected to provide receipts for actual and reasonable expenses

incurred for travel, lodging and meals while on BEC business, prior to receiving reimbursement for attending meetings as provided for in paragraph 3.2.1 above.

3.2.4. Trustees' mileage to and from meetings using personal transportation will be reimbursed at the rate per mile established by the Internal Revenue Service.

3.2.5. Reimbursement shall be provided to each trustee for a portion of the following electronic equipment and services: cell phones, computers, internet services and required software to perform board responsibilities. Starting on January 1, 2014, each trustee shall be paid up to \$1800 per year for the necessary acquisition of electronic hardware, software and services to perform their board responsibilities. There shall be receipts for all claimed expenses prior to reimbursement.

#### 4. Reporting Requirements:

4.1. Each trustee will be required to submit a monthly expense report with copies of receipts detailing expenses and fees due for that month. The president of the board will approve each expense report. The secretary/treasurer will approve the president's and general manager's expense reports.

4.2. Trustees may be provided with a BEC credit card to cover business expenses. Each trustee will be responsible to see that expense reports with receipts attached are delivered to BEC office in a timely manner.

#### 5. Insurance

5.1. BEC trustees are insured for \$5,000 Accidental Death and Disability.

5.2. BEC will maintain manager, officer and trustee (D&O) liability insurance up to a level of \$5 million per claim.

#### 6. Board Compensation Information Availability

6.1. Management will maintain records detailing the fees paid to BEC trustees and will make this information available to any member who requests it.

#### 7. RESPONSIBILITY:

7.1. It shall be the responsibility of the board president to ensure this policy is evaluated on a bi-annual basis.

Adopted: 11/25/2014

Revised: 11/25/2014

Reference: LV205, BEC II-C-2, C-3, C-4

Review Date: November 2016

Attest: /s/ Roxie Melton

Board President

Attest: /s/ Richard Nolan

Secretary/Treasurer