



BOARD OF TRUSTEES

POLICIES

|  |                                |                                 |                        |
|--|--------------------------------|---------------------------------|------------------------|
| <b>Subject: Compensation and or Expense Reimbursement Policy</b> |                                |                                 | <b>Policy No.: 112</b> |
| <b>Original Issue: 01/27/2012</b>                                | <b>Last Revised: 1/26/2023</b> | <b>Last Reviewed: 9/29/2023</b> | <b>Page: 1 of 5</b>    |

**Bylaw Article IV, Section 7:** *The trustees shall receive compensation for their services to the Cooperative in such reasonable amounts as the board of trustees prescribes; provided, however, that no trustee shall receive compensation for any services or expenses not authorized by the board of trustees*

**PURPOSE**

To establish a system for payment of Board of Trustee allowances and stipends and for the reimbursement of authorized expenses of members of the Jemez Mountains Electric Cooperative, Inc. (JMEC), Board of Trustees.

**ACCOUNTABILITY**

The JMEC Board of Trustees is accountable for ensuring implementation of and adherence to this Policy.

**SCOPE**

The compensation and reimbursement of expenses for attendance at meetings, seminars, conferences, etc., are established; however, no Trustee will receive compensation for any services or expenses not authorized by the Board of Trustees.

**POLICY:**

Stipends and reimbursements for the Board of Trustees are as follows:

**1. Meeting Rates**

- a. A Trustee will be paid a stipend for each meeting held in a given day \$150.00
- b. Regular and Special Board Meetings \$150.00
- c. Standing or Special Committee Meetings \$150.00  
*Definition of standing committee:* a permanent committee that meets regularly.
- d. Ad hoc Committee Meetings \$150.00  
*Definition of ad hoc committee:* Committee formed for a specific task or objective, and dissolved after the completion of the task or achievement of the objective.
- e. New Mexico Rural Electric Cooperative Association (NMRECA) Meetings (Director or Alternate when Alternate attends in place of the Director). \$150.00
- f. Tri-State (G&T) Board of Director Meetings (JMEC Board of Trustees other than the JMEC Tri-State Director attending the Tri-state meeting) \$150.00
- g. Out-of-state Delegation Meetings, Seminars, Conferences \$150.00
- h. In state Delegation Meetings, Seminars, Conferences, business/organizational meetings or In state Tri-State Meetings. This includes online NRECA



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Director courses. Online NRECA Director Courses shall be compensated at the rate of \$200.00 per class per day. \$150.00/\$200.00

- i. Regular and Special District Members Meetings (applies only to Board Members serving as an officer or if authorized by the Board, or if required by the Bylaws) \$150.00
- j. JMEC Annual Meetings \$150.00
- k. Voting Delegates Meetings \$150.00
- l. In-state meetings of other New Mexico cooperatives (Trustee may attend up to two (2) annual meetings of other New Mexico Electric cooperatives per year). \$150.00
- m. District Election Judge \$150.00
- n. Other meetings/emergency meetings, scheduled at the discretion of the CEO/General Manager and/or President of the Board \$150.00
- o. All the above meetings that a JMEC Trustee participates in by telephone or other telecommunication methodology utilized by JMEC \$150.00

2. **Expense Reimbursement** - All expense reimbursements must be supported by documentation:

- a. **Mileage** - The maximum allowed by current IRS rate; *\*Reference:* <https://www.irs.gov/Credits-&-Deductions/Individuals/Standard-Mileage-Rates-Glance>.
- b. **Per Diem (Meals)** – For out-of-town travel within or outside the Co-op service area, at the maximum allowed by current GSA rate; *\*Reference:* <http://www.gsa.gov>.
- c. **Transportation** – Actual cost, not to exceed Coach class fares; any additional costs associated with changes to airline reservations made within 14 days of departure date will be absorbed by the Trustee;
- d. **Lodging** – Reimbursed at the NRECA or NMRECA contracted rate for the assigned hotel;
  - (i) If Trustee pays out of pocket for lodging; Trustee will be reimbursed by JMEC.
- e. **Parking** – Actual cost;
- f. **Taxi Fare** – Actual cost;
- g. **Registration Fees** - Actual cost;
- h. **Rental Car** – Actual and associated cost reimbursement for an SUV or less.



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3. **Authorized Out-of-state and In-state Travel** - Trustees attending any meeting or function not previously authorized in advance by the Board, or President of the Board or otherwise authorized herein will not be paid any stipend or be reimbursed for out-of-pocket expenses.
  - a. Board of Trustees Credentialed Cooperative Director (CCD) – Not to exceed three (3) Out-of-state trips per year;
  - b. Board Leadership Certificate (BLC) – Not to exceed three (3) Out-of-state trips per year;
  - c. Director Gold Credential Certificate (Gold) – Not to exceed three (3) Out-of-State trips per year;
  - d. NRECA Legislative Conference in Washington, D.C. each year;
  
4. **Each Trustee may attend two (2) out-of-state conferences per year for the following:**
  - i. National Rural Electric Cooperative Association (NRECA) annual meeting (now referred to the PowerXchange);
  - ii. NRECA Regional meeting; or
  - iii. CFC Forum.
  
5. With approval of the Board or President of the Board, additional out-of-state trips may be allowed.
  
6. Each Trustee may attend the Tri-State annual meeting.
  
7. Trustees may attend other Tri-State Board Meetings by invitation only.
  
8. Trustees will be allowed to request and receive in advance fifty percent (50%) of the stipend allowed on out-of-state trips.
  - a. Hotel reservations not made by the due date set by NRECA or NMRECA will be the responsibility of the individual Trustee to make his or her own arrangements. Trustees may receive reimbursement for lodging expenses only at the regular NRECA or NMRECA rate.
  - b. For attendance at Out-of-state meetings, stipend and expenses shall be allowable for a maximum of two (2) days travel, in addition to the days in attendance at the meeting.
  - c. For attendance at In-state meetings, seminars, etc., held at a place more than one hundred and fifty (150) miles distance from the Trustee’s residence, stipend and expenses will be allowable for two (2) day travel, in addition for attendance at the meeting.



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9. JMEC Trustees are strongly encouraged to attend NRECA Director Courses. However, every attempt should be made to attend such meetings in New Mexico through the NMRECA or other New Mexico cooperatives. Additionally, Trustees are encouraged to attend NRECA Director courses in Texas, where through agreements with NMRECA, no Director Training fee has to be paid by JMEC. Finally, Trustees are strongly encouraged to take NRECA Director courses online where possible.
10. Trustees may attend JMEC service-area Tribal meetings with prior authorization or as otherwise authorized herein.
11. Requests for stipend and expense reimbursements will be submitted at least monthly on voucher forms to the Finance Committee for review and approval by the Finance Committee Chair.
12. For out-of-state travel, Trustees have the option to be reimbursed at the lesser of the applicable roundtrip coach airfare or IRS mileage.
13. Gross Receipts Tax – JMEC will pay all applicable gross receipts taxes for the Board of Trustees on in-state stipend and in-state mileage.
14. No Trustee expense reimbursement check(s) will be paid by JMEC on the same day as the Trustee reimbursement Voucher is submitted to JMEC Staff. This is to prevent JMEC staff errors in rushing the process of paying JMEC Trustee reimbursement Vouchers.
15. Trustees car-pooling to authorized meetings will not receive mileage reimbursement unless his or her car is utilized. No more than one mileage reimbursement is authorized for those carpooling to authorized meetings.
16. Prior to attending a meeting or event not clearly authorized in this Policy, JMEC Trustee(s) wanting to attend such meeting or event and to be reimbursed for attending the meeting or event is required to notify the JMEC Board President or CEO/General Manager in advance of such meeting or event and obtain JMEC Board approval prior to that meeting or event taking place if at all possible. The President shall place the request(s) on the next JMEC Regular Board Meeting Agenda for all JMEC Trustees to approve the request(s). Exceptions would include meetings that are scheduled by other entities with less than seven-days’ notice, for example.
17. A JMEC “Calendar of Events” shall be posted in the JMEC Boardroom and provided to the JMEC Trustees to ensure that everyone is referring to the specific meeting or event the same way, and that meetings and events are listed on the appropriate date.
18. The JMEC Finance Committee Chair shall be provided by JMEC Staff a listing of all the Voucher and payment information so that he or she can immediately determine whether or not a particular meeting has already been submitted on another Voucher and paid.

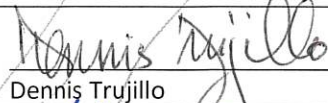
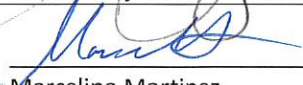


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- 19. A JMEC Staff supervisor shall review both the handwritten and typed Vouchers and sign-off on both indicating approval prior to any check being prepared and cut. Checks will then be mailed to the Trustee, held for pickup at a later date, or processed via direct deposit, per the wishes of the individual Trustee. The Vouchers submitted to JMEC shall be broken down between specific meetings attended and mileage to be reimbursed. Trustees shall be provided with a copy of the Voucher with the check.
- 20. Voucher training shall be periodically provided to JMEC Trustees and appropriate JMEC Staff upon the election of a new Trustee(s) and not less than every two years.
- 21. In those cases where a JMEC employee uses a JMEC company credit card to pay for a Trustee’s meal, the cost of the said meal shall be deducted from the Trustee’s per diem allowance. This rule also applies to meal costs of a Trustee’s guest(s).

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|---|--------------------------------------|-------------------------|
| <br>Dennis Trujillo    | _____, President of the Board        | Date: <u>11/15/2023</u> |
| <br>Marcelina Martinez | _____, Chair of the Policy Committee | Date: <u>11/15/2023</u> |

Approved:

2/25/2022- The following sections were added into Policy 112: 5, 6, 7, 8, 9, 10 and 11.

8/22/2022- The following sections were amended to Policy 112: i and j.

12/2/2023- The following sections were amended to Policy 112: h, j, and o. #3 and #7 were also amended.

1/26/2023- The following sections were amended to Policy 112: h and j.

9/29/2023- Changes to Policy 112 are under H.