

 Oakdale Electric Cooperative		Board Policy
Policy Name: Directors Per Diem and Expenses		Policy No: 1.03
Last Reviewed/Revised: 03/03/2025		Page 1 of 3

OBJECTIVE

To establish guidelines to compensate directors for their service to the Cooperative in preparing for and participating at board meetings, attending training programs, performing other duties in support of the cooperative, and to provide appropriate compensation to attract potential qualified members as candidates to serve on the Board.

POLICY

The Board will establish and implement best practices with respect to the process of determining director compensation for the time, effort, diligence, and commitment to Oakdale Electric Cooperative. This Process will ensure that directors can follow a compensation program in a deliberate and objective way appropriate for their participation in internal and external activities related to serving Cooperative members.

PROCEDURES

- A. All directors should be compensated equally for their service as a director. Separate and additional compensation may be established for serving as an officer of the Board.
- B. The Board of Directors must remain informed and engaged on a more current basis than the regular monthly meetings may allow. The compensation level needs to adequately compensate directors for their time and effort and should be used to motivate director leadership involvement. The Cooperative is in competition with every other business and community group in the area for “cream of the crop” leadership and should evaluate approval of compensation accordingly.
- C. The Board and Cooperative will be well served by following the processes below in setting compensation levels.
 1. Review the total compensation data of directors from other electric cooperatives.
 2. Establish a peer group of “like cooperatives” to compare and justify compensation levels.
 3. Establish compensation levels which can be justified to the Cooperative membership.
 4. Document the process in Board meeting minutes.

PROVISIONS

In addition to the regular Board meeting, monthly service also includes preparation for Board meetings by reviewing the monthly Board meeting materials, checking their Oakdale Electric email daily for cooperative updates, reviewing statewide and national industry periodicals and reports, communication with members, and evaluating on-going cooperative strategic issues.

- A. Per Diem for Board and committee meetings - \$350.00 per day.
- B. Per Diem for annual meeting/reorganizational meeting - \$ 350.00.
- C. The Chairman of the Cooperative shall be entitled to an additional fee of \$150.00 per month.
- D. Although two or more meetings or activities (e.g., the annual meeting of the members and the reorganization meeting of the Board of Directors immediately following), or a combination of travel and one or more meetings or activities, may occur on a single day, only one per diem compensation for that day will be allowed.
- E. Per diem for attendance at other meetings representing Oakdale Electric Cooperative (such as NRECA, WECA, DPC, Federated Insurance, scholarship awards and other such special meetings, conferences or training sessions) as authorized by the Board. Per diem for attendance at Member Appreciation Day is not authorized. Per diem for days traveled will be limited to two additional days of travel if travel is on days other than meeting days.
- F. Per diems to attend a regular or special board meeting by conference call are at the discretion of the board.
- G. Reimbursement for transportation and out-of-pocket travel expense necessarily incurred including:
 - 1. Transportation:
 - a. Automobile mileage reimbursement is the current standard mileage rate authorized by the Internal Revenue Service.
 - b. Actual cost of other transportation such as by train, airplane, cab or other.
 - c. When there is an alternate to automobile travel the maximum reimbursement is the lesser of the current standard mileage rate per mile or the cost of the alternate method of transportation.
 - 2. Lodging.
 - 3. Meals and tips.
 - 4. Director's Spouse/Guest Attendance - At meetings the spouse/guest expenses shall be the responsibility of the director, with the exception of meals, lodging costs and spousal/guest meeting registration fees.

5. Receipts are required for reimbursement.

H. . RESPONSIBILITY

1. The Chairman of the Board is responsible for the administration of this policy.

Procedure: To be reviewed annually to determine if policy is reflecting current conditions.

Adopted by the Board 8-8-1963

02-15-69	Mileage rate 8 cents - per diem \$20.00
10-09-69	Mileage rate to 10 cents (effective 1-1-70)
07-08-71	Per diem to \$30.00
12-11-74	Per diem to \$35.00 - mileage to 15 cents
08-31-77	Per diem to \$40.00 (effective 9-1-77)
11-20-79	Mileage to 20 cents (effective 1-1-80)
02-23-82	Per diem to \$60.00 (effective 3-1-82)
05-24-88	Per diem to \$75.00 (effective 6-1-88)
01-31-90	Mileage to 26 cents (effective 2-1-90)
07-29-92	Per diem to \$100.00 (effective 8-1-92)
02-22-95	Mileage to 30 cents (effective 3-3-95)
09-29-97	Per diem to \$150.00 (effective 10-1-97)
12-30-97	Per diem to \$125.00 (effective 01-01-98)
12-27-98	Reviewed & Revised – mileage rate to current standard rate.
07/26/00	Per diem to \$150.00 (effective 08-01-00)
05/28/04	Per diem to \$200.00 (effective 06-01-04)
12/28/11	Per diem to \$250.00 (effective 01-01-12)
12/23/14	Per diem to \$300.00 (effective 01-01-15)
05/25/16	Meeting per diem clarified
08/27/19	Meeting per diem clarified
10/30/19	Per diem for MAD not eligible
01/30/2020	Per diem to \$350.00. Chair reimbursed additional fee of \$150.00/mo (effective 2-1-2020)
02/26/2020	Language added

Reviewed Date (no revisions):

2-23-2022, 03-02-23, 02-06-2024, 03-03-2025
