

RAILBELT RELIABILITY COUNCIL – BOARD POLICIES		POLICY NO.: P-03A
TITLE: BOARD MEMBER FEES AND REIMBURSEMENT OF EXPENSES POLICY		REVISION NO.: 02
EFFECTIVE: 12/05/2022	LAST AMENDED: 12/04/2023	PAGE 1 OF 6

BOARD MEMBER FEES AND REIMBURSEMENT OF EXPENSES POLICY

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1.0 POLICY OVERVIEW

This Policy establishes those activities for which Board Members may receive fees and reimbursement of eligible expenses and processes for submission, approval, and payment of the same.

2.0 PURPOSE & SCOPE

This Policy:

- 1) Establishes eligibility for Board Member fees and expense reimbursement for participation in RRC Events;
- 2) Defines requirements for Board Member reporting, RRC review and approval, and RRC payment of fees and reimbursement of eligible expenses.

3.0 DEFINITIONS

Term	Definition
Annual Meeting	The last regular Board meeting of each year pursuant to Bylaws Section 2.3.2.
Board	RRC Board of Directors.
Board Chair	Chair of the RRC Board of Directors.
Board Committee(s)	A standing or ad-hoc committee of the Board, as provided in RRC Bylaws Section 2.5.
Board Member(s)	A primary or alternate director of the Board representing Board seat A, B, C, D, E, F, G, H, I, J, K, L, or M as defined in Bylaws Section 2.1.2.3.
Board Treasurer	Treasurer of the RRC Board of Directors.
Bylaws	RRC Bylaws.
CEO	RRC Chief Executive Officer.
IRS	U.S. Department of the Treasury, Internal Revenue Service

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Term	Definition
Personal Automobile	A personally owned car, van, pickup, panel truck, etc.
Policy	Board Member Fees & Reimbursement of Expenses Policy.
RCA	Regulatory Commission of Alaska.
RRC	Railbelt Reliability Council.
RRC Event(s)	Either in-person, teleconference, or videoconference, meeting(s) of the Board or Board Committee(s); Board or Board Chair approved training(s) or educational class(es)); or representing the RRC at other organizations as directed or authorized by the Board or the Board Chair.
Sponsoring Organization	The sponsoring organization for Board Members representing Board seats A through G, N, and O are entities defined in Bylaws Section 2.1.2. The sponsoring organization for Board Members representing Board seats H through L is the organization associated with and identified by the Board Member.
Voting Director(s)	A primary Board Member representing Board seat A, B, C, D, E, F, G, H, I, J, K, L, or M as defined in Bylaws Section 2.1.2.3.

4.0 RESPONSIBILITIES OF KEY PERSONNEL

Title	Responsibilities
Board or Board Chair	Authorizes Board Members to be eligible for fees for participation in RRC Events as defined herein. The Board shall direct staff to initiate a director fee study in odd years. Annually, the Board sets fee amounts for the following year. The Board reviews and approves Board Members fee and expense requests.
Board Member(s)	Responsible for maintaining their expense receipts and for properly submitting expense statements in a timely manner for reimbursement. Also, responsible for providing their appropriate Social Security Number (SSN) or Taxpayer Identification Number (TIN) to the RRC.
Board Treasurer	Reviews and approves Board Member fee and reimbursement of expenses requests.
CEO	Oversees adherence to this Policy.
Governance Committee	Reviews Board Member fee rates annually in consideration of adjustments, consistent with RRC Bylaws Section 2.1.3.1.

5.0 BOARD MEMBER FEES

Board Members are entitled to receive fees for their participation in RRC Events as defined in this section.

5.1 Establishing Fee Amounts

The fee amounts for Board Member participation in RRC Events shall be established by the Board in accordance with Bylaws Section 2.1.3.1 and 2.1.3.3.

Every odd year, the Board shall direct staff to initiate a director fee study; this study will inform proposed modifications to Board Member fee amounts.

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The RRC Governance Committee shall annually review the amounts of the Board Member fees and bring a recommendation to the Board for consideration of adjustments no later than ninety (90) days prior to the Annual Meeting.

Changes to the meeting fees shall be set by the Board no later than sixty (60) days prior to the Annual Meeting and shall become effective on January 1st of the following year.

The amount of Board Member fees is established by the most recent action of the Board. An Appendix follows this Policy detailing the current fee amounts. The RRC Treasurer shall update this Appendix as necessary.

5.2 Eligibility for Fees

Pursuant to Bylaws Section 2.1.3.1, only Voting Directors shall be allowed to receive fees, which excludes Board Members representing Board seats N and O. Alternate Directors are only eligible to receive fees when acting as their seat’s director on the Board, when serving as a member of a Board Committee, or when specifically approved by the Board or Board Chair. Additionally, the Board Chair and Board Committee Chairs shall each be eligible for a Chair Fee as outline in 5.3.6 below.

5.3 Types of Fees

A Board Member may be eligible to receive fees for the following RRC Events:

5.3.1 Board Meeting Fee

A Voting Director is entitled to receive a daily Board Meeting Fee for participation in meetings of the Board; an Alternate Director is entitled to receive a Board Meeting Fee when acting as their seat’s primary director at a Board meeting. Only one Board Meeting Fee, per meeting, can be claimed by each Board seat.

5.3.2 Board Committee Meeting Fee

A Board Member is entitled to receive a daily Board Committee Meeting Fee for participation in meetings of Board Committees.

5.3.3 Travel Fee

A Board Member is entitled to receive a daily Travel Fee for the day before and a daily Travel Fee for the day following participation in an in-person RRC Event if the Board Member was engaged in travel associated with an in-person RRC Event(s) if the travel was authorized by the Board or Board Chair. A Board Member is eligible to receive the Travel Fee(s) only when travel is necessary, and it is authorized by the Board or the Board Chair.

A Board Member is entitled to receive a maximum of two (2) Travel Fees for any particular RRC Event. To the extent possible, Board Members shall minimize their travel days to in-person RRC Events.

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5.3.4 Witness Fee

A Board Member is entitled to receive a daily Witness Fee for service as an RRC witness for RCA hearings as authorized by the Board or the Board Chair.

5.3.5 Other RRC Event Fees

A Board Member is entitled to receive a daily fee for other RRC Events as preauthorized and approved by the Board or Board Chair. Such other RRC Events include, but are not limited to, Board trainings, representing the RRC at other venues, Subject Matter Expert presentations, budget review sessions, workplan review sessions, and interviews.

5.3.6 Chair Fee

In recognition of added time and effort required to prepare for and efficiently manage meetings, the Chair of the Board and Chair of Board Committees are entitled to receive a daily Chair Fee for chairing RRC Board meetings and Board Committee meetings respectively.

5.4 Single Fee Per Day

A Board Member is only entitled to receive one fee per day, regardless of whether the Board Member participated in multiple RRC Events. The Board Member may select which fee they request from the fees for which they are eligible.

Example: On the same day, a Board Member serves as an RRC expert witness and later attends a Board Committee meeting. In this scenario, the Board Member is only entitled to receive one fee for that particular day and can request either the Board Committee Meeting Fee or the Expert Witness Fee but not both.

6.0 BOARD MEMBER REIMBURSEMENT OF EXPENSES

A Board Member is entitled to reimbursement of expenses incurred related to their participation in RRC Events as defined in this section.

6.1 Privately Owned Vehicle Transportation

A Board Member is entitled to reimbursement of expenses incurred when travel is necessary, authorized by the Board or Board Chair, and they use their Personal Automobile to travel in order to participate in an in-person RRC Event. Reimbursements are calculated using the current, applicable [Standard Mileage Rate](#) as published by the Internal Revenue Service (IRS). When feasible, carpooling is strongly encouraged.

6.2 Travel Expenses

For reasonable travel expenses incurred within the state of Alaska or to a destination outside of Alaska for participation in an RRC Event, a Board Member is entitled to reimbursement. Furthermore, a Board Member is only eligible to receive reimbursement for travel expenses incurred when travel is necessary

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and authorized by the Board or Board Chair; with the exception that re-approval of travel is not required for Board meetings. Such travel expenses may include coach / economy fares for travel by air, bus, train, or ferry, lodging, meals, cab fare, travel-related gratuities, laundry and/or dry cleaning (depending on length of stay), and other expenses allowable under applicable IRS laws and regulations.

A Board Member may use U.S. Government-published per diem rates (“CONUS” and “OCONUS” as appropriate) in lieu of actual travel expenses. Current CONUS per diem rates can be found on the [U.S. General Services Administration’s website](#). Current OCONUS per diem rates can be found on the [Defense Travel Management Office’s website](#). When considering the use of per diem instead of actual expenses for reimbursement, Board Members should consider the increased costs for the RRC to track actual expenses.

A Board Member seeking reimbursement should incur the lowest reasonable travel expenses and exercise care to avoid impropriety or the appearance of impropriety. If a circumstance arises that is not specifically covered in this Policy, then the most prudent course of action should be taken.

6.3 Course/Training Expenses

A Board Member is entitled to reimbursement of course/training expenses if it is approved by the Board or the Board Chair and if the expenses were paid directly by the Board Member or their Sponsoring Organization.

6.4 Travel and Education Arrangements

Board Members shall coordinate all travel and education arrangements with RRC staff.

7.0 RECEIPT OF BOARD MEMBER FEES AND REIMBURSEMENT OF EXPENSES

Board Members may decline to receive earned fees or may specify that earned fees be paid to themselves or to their Sponsoring Organization. This preference should be communicated to the RRC using the Director Fee Designation Form. In order to receive fees and/or have expenses be reimbursed, Board Members must provide the appropriate Social Security Number (SSN) or Taxpayer Identification Number (TIN) to the RRC and properly submit the appropriate forms, as provided by the RRC, to RRC staff.

7.1 Fee Review and Approval

Board Members’ properly completed Director Fee Reimbursement Request Form must be submitted to the Board Treasurer, who shall review the same in accordance with Bylaws provision 2.1.3.2. The Board Treasurer will coordinate with the Board Member to clarify any ambiguities and may wholly approve, partially approve, or wholly disapprove the claimed fees. After review and approval by the Board Treasurer, the fee reimbursement requests shall be subject to Board approval.

7.2 Expense Review and Approval

Board Members’ properly completed Board of Directors Expense Reimbursement Request Form along with receipts must be submitted to the Board Treasurer, who shall review the same. Any expense over

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twenty-five dollars (\$25.00) without a receipt requires the Board Member to submit a “Lost Receipt Form.” The Board Treasurer will coordinate with the Board Member to clarify any ambiguities and may wholly approve, partially approve, or wholly disapprove reimbursement of the claimed expenses. After review and approval by the Board Treasurer, the expense reimbursement request shall be subject to Board approval.

7.3 Submittal Schedule

Reimbursement requests for fees and expenses must be submitted to the RRC within four (4) months of the event being compensated.

Board Members should submit fee and expense reimbursement forms quarterly, within one (1) month of the end of each fiscal quarter (April 30th [Q1]; July 31st [Q2]; October 31st [Q3]; January 31st [Q4]). In all cases, fees and expenses incurred by a Board Member in a given year shall be submitted no later than January 31st of the following year. Compensation for the previous year’s fees and expenses not submitted by this date is forfeit.

8.0 IRS REPORTING

All compensation paid under this Policy shall, if and to the extent required by law, be reported to the IRS on form 1099 and 1096 with a copy of the former being timely furnished to the Board Member.

9.0 WAIVER

Portions of this Policy may be waived for specific circumstances by a majority vote of the Board.

Appendix: 2024 Board Member Fee Amounts

Per Board action at its meeting on November 6, 2023, 2024 Board Member Fee Amounts per event were set as detailed in the below table:

RRC Event Type	2024 Approved Amount per meeting/event/day
Board Meeting Fee	\$500
Board Committee Meeting Fee	\$250
Travel Fee	\$250
Witness Fee	\$500
Other Approved RRC Event Fee	\$250
Board Chair Fee	\$1000
Board Committee Chair Fee	\$500