



## CORPORATE POLICY

<b>SUBJECT</b>  <b>Board of Directors/Directors' Fees and Expenses</b>	<b>NUMBER</b>	201.4
	<b>DATE ISSUED</b>	12/15/20
	<b>SUPERSEDES</b>	
	<b>ISSUANCE DATED</b>	7/20/2020
	<b>DATE REVIEWED</b>	12/15/20

### I. PURPOSE

To establish the policy relating to directors' fees and reimbursement for expenses incurred in attending regular monthly meetings of the Board of Directors and other authorized business.

### II. POLICY

- A. Directors will receive five hundred and fifty dollars (\$550.00) per day or partial day for attendance at board meetings and same-day committee meetings of the Board of Directors. Directors will also receive the \$550 per diem for in-person attendance at no more than two industry meetings and educational events described in Corporate Policy 201.3 per year.
- B. Directors will receive five hundred and fifty dollars (\$550.00) per meeting for up to three teleconference (i.e., telephonic or virtual) meetings per year of the Board of Directors, and two hundred and seventy-five dollars (\$275.00) for additional teleconference Board of Directors meetings.
- C. Directors will receive two hundred dollars (\$200.00) for committee meetings of the Board of Directors not held on a board meeting or industry event day.
- D. Directors will receive five hundred and fifty dollars (\$550.00) for full day and two hundred and seventy-five dollars (\$275.00) for half day teleconference participation in Board-approved industry events and Kansas Electric Cooperative board or committee meetings by the corporation's official delegate.
- E. Directors will be reimbursed for expenses incurred in traveling to and from and while attending meetings and conferences pertaining to the business of the corporation designated by the Board of Directors as follows:
  - 1. For board meetings and committee meetings, the corporation will pay the cost of transportation to and from the destination by most direct route at rates per mile as specified from time to time by the Internal Revenue Service (IRS), plus lodging and meals if necessitated by the meeting schedule.



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2. For all industry meetings and educational events described in Corporate Policy 201.3, the corporation will pay Directors' registration fees, coach class air fare, lodging, meals and incidental expenses. Attendance at Kansas Electric Cooperative board or committee meetings by the corporation's official delegate will not count toward the limits on number of meetings addressed in this policy.
  3. The corporation will not reimburse expenses for alcohol or spouse meals associated with attendance at any meeting unless such expenses are incurred as part of a company-sponsored function.
  4. Prudent use of company resources is encouraged in all discretionary expense decisions.
- F. Where a private car is used for travel in lieu of available air transportation, travel expense will be reimbursed at rates per mile as specified from time to time by the IRS, the total not to exceed coach class air fare.
- G. Directors' fees and allowance for travel to board meetings shall not exceed one day.
- H. Directors' fees for travel to meetings, other than meetings of the Board of Directors, shall not exceed one day each way.
- I. Multiple director fees and allowance for expenses shall not be paid in the event special meetings, two or more regular board meetings, committee meetings, industry meetings or educational events occur at the same place and on the same day(s).
- J. The Board of Directors or a committee designated by the Chair of the Board shall review director fee, allowance for travel and expense reports on an annual or semiannual basis.
- K. The Chair of the Compensation Committee may receive an additional annual fee not to exceed \$1,000.00, with such payment and amount to be approved annually by the Board of Directors.
- L. Any deviation from the foregoing policy, such as extraordinary expenses necessarily incurred by a director in attending board meetings and carrying out board business, shall be specifically documented by the director and approved by the Board of Directors.

### III. RESPONSIBILITY

- A. The Chair of the Board shall be responsible for calling special meetings of the board for which the directors will receive fees and be reimbursed for other expenses. The Board of Directors shall be responsible for determining all other meetings and business for which directors will receive fees and be reimbursed for other expenses.
- B. The Board of Directors shall be responsible for reviewing and making necessary changes in this policy as may be recommended or that are required by changing circumstances.



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- C. The CEO shall be responsible for the administration of this policy. He/she shall issue such procedural regulations as may be required to effectively administer this policy and shall be responsible for formulating any recommended changes in policy content which require action by the Board of Directors.

This policy supersedes all previously established policies and all other material in conflict with its provisions.

Approved by the Board of Directors this 15<sup>th</sup> day of December, 2020.

/s/Gary Moss

Gary Moss, Chair of the Board

/s/Dale Unruh

Dale Unruh, Secretary